647510 **BBA3CA0E0210** **Seat No :________**

B.B.A. Semester - 3 (*CBCS*) Examination
Oct/Nov - 2023 (OLD COURSE)
CORPORATE ACCOUNTING(ELECTIVE 2)

Time: 2:30 Hours **Marks: 70**

Instructions:
1. All questions are compulsory.
2. Figures to the right indicate marks.

Que.1 Tara Ltd. Incorporated with a nominal capital of Rs.25,00,000 divided into equity shares of Rs.10 each issued 1,00,000 shares at a discount of Rs.1 per share payable Rs.4 per share on applications Rs.3 per share on allotment and the balance on final call. (14)

=> Applications were received for 1,12,500 shares The Board of Director made full allotment and refunded excess applications. All shareholders have paid allotment and call money except Dhruvi who was allotted 500 shares has not paid final call. The company forfeited these shares and reissued to Vilas for Rs.6 per share as fully paid.

=> Give necessary Journal entries for issue, forfeiture and reissued of shares.

OR

Que.1 The Mayur company ltd. issued 8,000 equity shares of Rs.10 each at a premium of Rs.2 per share.

⇨ Payable as Follow:
On Application - Rs. 2
On allotment Rs. 6 (including premium)
On First call Rs. 2
On Final call Balance Amount

12,000 shareholders were applied for and allotment was made pro-rata. Excess applications money was utilized towards sums due on allotment. Mr. Himansu who held 240 shares failed to pay first call and second call and these shares were forfeited. Out of these forfeited shares, 200 forfeited share were reissued to Vipul Ltd's. Director as fully paid up for Rs.9 per share.

Pass necessary journal entries to record the above transactions in the books of company.

Que.2 Following is the Balance Sheet of Dipak Ltd as on 31-03-2021. (14)

Liabilities	Rs.	Assets	Rs.
5,000 Equity share of Rs. 100 each Fully paid-up	5,00,000	Fixed assets	4,00,000
10%, 1500 Red. Pref. Shares of Rs,100 each Rs, 80 paid up	1,20,000	Stock	1,00,000
Profit and Loss Account	1,00,000	Debtors	1,00,000
Creditors	30,000	Cash /bank	1,50,000
	7,50,000		7,50,000

1. The company issued 800 equity shares of Rs.100 each at a premium of Rs. 25 per share.
2. To redeem preference shares at a premium of 10%.
3. All payment were made except to shareholders of 100 preference shares.
4. Pass necessary journal entries and prepare new balance sheet in the books of company.

OR

Que.2 The Balance sheet of Bhavik Ltd, as at 31-3-2021 is as under.

Liabilities	Rs.	Assets	Rs.
1,00,000 Equity share of Rs.10 each Fully paid-up	10,00,000	Land Building	5,00,000
12% 4500 Red. Pref. Shares	4,50,000	Plant & Machines	10,00,000

of Rs,100 each Fully paid up			
General Reserve	8,30,500	Furniture	3,90,000
Profit and Loss Account	3,87,000	Units of unit Trust of India	1,45,000
Capital Reserve	12,500	Cash at Bank	1,02,500
Security Premium	20,000	Cash in Hand	8,500
Creditors	1,50,000	Inventory	9,11,200
Bills Payable	1,00,000	Debtors	1,42,800
Provision for Taxation	2,50,000		
	32,00,000		32,00,000

- ⇨ On 1st May, 2021 in order to redeem its all preference shares at a premium of 5% the company issued 20,000 equity shares of Rs.10 each at a premium of 10% and sold all of its investments in the unit's for Rs 1,58,000. After the redemption of the preferences shares the company issued one fully paid equity shares of Rs.10 as bonus for every four Equity shares held by its members.
- ⇨ Show the journal entries for all the transactions and prepare balance sheet of company.

Que.3 Write Short Notes. (Any Two) (14)

1. Sources of bonus share
2. Methods of issue of Bonus share
3. Provisions of companies act for issuing bonus share

Que.4 What journal entries will be made in the following cases regarding the issue of debentures: (14)

a) A company issued 40,000 6% debentures at par and redeemable at par
b) A company issued 40,000 6% debenture at discount of 10% and redeemable at par.
c) A company issued 40,000 6% debentures at premium of 5% and redeemable at par
d) A company issued 40,000 6% debenture at par and redeemable at 10% premium
e) A company issued 40,000 6% debentures at 5% discount and redeemable at 5% premium.

OR

Que.4 Mahi ltd. Made the following issue of debentures.

a) For cash at 95 percent but payable at 120 percent debentures of Rs. 20,000
b) To a creditor who supplied machinery costing 2,00,000, 2,300 debentures of 100 each
c) To bank for a loan of Rs.1,20,000 as collateral securities, 15,000 debentures of 100 each.

- ⇨ Write issue of debenture journal entries as above transactions:

Que.5 The following trial balance is of Mansi Ltd. as at 31st march 2021, You are required to prepare Final accounts of the company. (14)

Debit Balances	Amount	Credit Balances	Amount
Stock	1,00,000	Equity share capital: 50,000 shares each of Rs, 10	5,00,000
Purchases	6,00,000	Sales	8,50,000
Wages	1,40,000	Creditors	70,400
Printing and stationery	4,800	Discount	6,300
Advertising	28,600	Profit &loss A/c	32,440
Debtors	97,400	General Reserve	50,000
Discount	8,400	Loan from Managing Director	31,400
Insurances premium	13,440		
Salaries	37,000		
Rent	12,000		
General Expenses	17,900		
Plant and Machinery	1,61,200		
Cash at Bank	2,69,400		
Furniture	34,000		
Bad-debt	6,400		
Call-in arrears	10,000		
	15,40,540		15,40,540

1. Closing stock is Rs. 2,23,000
2. Provide depreciation on plant @10% and on furniture 20% p.a.
3. Outstanding Liabilities: wages Rs. 10,400, Salaries Rs. 2,400, and Rent Rs. 1,200
4. Prepaid insurance Rs. 1,600
5. Provide for General Reserve Rs. 20,000 and proposed dividend @ 10%

OR

Que.5 The following trial balance is of Purvi Ltd. as at 31st march 2021 You are required to prepare Final accounts of the company.

Debit Balances	Amount	Credit Balances	Amount
Opening Stock	75,000	Sales	3,40,000
Purchases	2,35,000	Discount	3,000
Wages	30,000	Equity Share Capital	1,00,000
Carriage Inward	950	Creditors	17,500
Furniture	17,000	General Reserve	15,500
Salaries	7,500	15% Debenture	25,000
Rent	4,000		
Sundry Expenses	7,050		
Debtors	27,500		
Plant & Machinery	41,000		
Cash at bank	46,200		
Goodwill	4,800		
Bills receivable	5,000		
	5,01,000		5,01,000

⇨ Additional Information:

1. Closing stock is Rs.75,000
2. Provide depreciation on plant @15% and on furniture 10% p.a.
3. Outstanding Liabilities: Rent Rs.1,000, Salaries Rs.1,500 interest On Debenture for six months.
4. Make a provision for doubtful debt Rs.1,000
5. Provide for General Reserve Rs.10,000
6. Directors proposed dividend @25%

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