647510 **BBA3CaEC308x** **Seat No :________**

B.B.A. Semester - 3 (*CBCS*) Examination
Oct/Nov - 2024 [As Per Syllabus Year June-2019]
Corporate Accounting(Elective)

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

Instructions:

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

Que-1 Vansh Ltd a company issued 20,000 equity shares of Rs. 100 each at a premium of Rs. 15 per share. The company received applications for 20,000 shares. Pass journal entries for premium for all transactions in each of the following cases: (14)

The company called up Rs. 25 on application and Rs. 25 on allotment as capital.

1. When full amount of premium is called up with application.
2. When full amount of premium is called up at the time of allotment.
3. When amount of premium is called up with application at Rs. 10 and with allotment Rs. 5.

OR

Que-1 ABC Ltd issued 1,00,000 ordinary shares face value Rs. 100 at Rs. 10 premium to the public and the public applied for the same number of shares. Company will receive the money as under. Rs. 50 on application, Rs. 30 on allotment (including premium) and Rs. 30 on final call. All the money were duly received. Pass journal entries in the books of ABC Ltd.

Que-2 X Ltd issued 1,20,000 equity shares each of Rs. 10 at a premium of Rs. 3 per share. Amount payable on shares was as under. (14)

1. On application Rs. 2.50
2. On allotment Rs. 6.50 (including premium)
3. On first and final call Rs. 4
4. Applications were received for 1,50,000 shares from which 1,20,000 shares were allotted and excess money received on applications was returned to the share applicants. Full amount of share allotment (including premium) was received.
5. Rs. 4,60,000 was received for first and final call, shares on which first and final call money was not received were forfeited and these shares were re issued at Rs. 8 per share as fully paid, on which full amount was received.

Pass necessary journal entries to record the above transactions.

OR

Que-2 Trupti Ltd issued 50,000 shares of Rs. 10 each payable as under:

1. Rs. 2 on application,
2. Rs. 2.50 on allotment,
3. Rs. 3 on first call,
4. Rs. 2.50 on final call.
5. Subscriptions were received from public for 90,000 shares the allotment was made as follows on 1st August 2023.
   i. The applicants of 45,000 shares in full.
   ii. To the applicants of 20,000 shares – 25%.
   iii. To applicants of remaining shares – NIL.

6. The first call was, made on 1st November 2023 and the second call on 1st Feb 2024. According to the terms of issue the surplus applications money could be kept by the company against money due on allotment and against subsequent calls one shareholder to whom 5000 shares were allotted paid on allotment the full amount on shares.

Give journal entries assuming that duly received by the company.

Que-3 The balance sheet of Krishna Ltd as on 31/03/2023 is as under: (14)

Liablities	Amount	Assets	Amount
1,00,000 Equity shares of Rs.10 each	10,00,000	Land & Building	5,00,000
4500 12% Redemable Preference shares of Rs.100 each fully paid up	4,50,000	Plant and Machinery	10,00,000
		Furniture	3,90,000
General Reserve	8,30,500	Investments (in UTI)	1,45,000
Profit & Loss A/c	3,87,000	Cash at bank	1,02,500
Capital Reserve	12,500	Cash in hand	8,500
Securities Premium	20,000	Inventory	9,11,200
Sundry creditors	1,50,000	Debtors	1,42,800
Bills Payable	1,00,000		
Provision for taxation	2,50,000		
	32,00,000		**32,00,000**

- The company decided to redeem the redeemable preference shares at 5 % premium for this purpose the company issued 20,000 new equity shares of Rs. 10 each at a premium of 10% and sold all of its investments for Rs. 1,58,000.
- After the redemption of preference shares, the company issued one fully paid equity share of Rs.10 each as bonus for every four shares held by its members.

Write journal entries and prepare new balance sheet

OR

Que-3 Following is the balance sheet of Vikas Ltd as on 31/03/2023.

Liablities	Amount	Assets	Amount
10,000 Equity Shares of Rs. 100 each fully paid	10,00,000	Fixed Assets	15,25,000
		Debtors	3,00,000
10% Redemable preference shares of Rs. 100 each Rs. 80 paid up.	4,00,000	Stock	2,00,000
		Cash at bank	1,25,000
12% Redemable preference shares of Rs. 100 each fully paid up	2,00,000		
Share Premium	50,000		
General Reserve	3,60,000		
P&L A/c	1,15,000		
Creditors	25,000		
	21,50,000		**21,50,000**

The company has decided to redeem both the classes of preference shares at 10% premium after complying the provisions of companies Act 2013.It is decided to keep cash & bank balance of Rs. 1,15,000. The company issued required number of cumulative preference shares at 10 % premium. Redemable preference shareholders are paid in full.

After redemption of preference shares the capital redemption reserve will be used to issue 1 bonus equity share for every 10 equity shares held.

Write necessary journal entries in the books of the company.

Que-4 The balance sheet of PQR Ltd as at March 31 2011 was as under: (14)

Liablities	Amount	Assets	Amount
Equity share Capital Each of Rs. 10	30,000	Fixed Assets	15,000
General Reserve	21,000	Stock	18,000
8 % Debentures	18,000	Debtors	12,000
Creditors	9,000	Bank Balance	33,000
	78,000		**78,000**

At the annual meeting it was agreed

1. To pay a dividend in cash of 10 %.
2. To issue one bonus share for every four old shares held.
3. To give existing shareholders the option to purchase one share of Rs. 10 at Rs. 12.50 per share for every 4 shares held prior to the bonus distribution. All the shareholders took up the option.

Give the necessary journal entries.

OR

Que-4 Discuss the meaning of bonus shares its objectives and advantages.

Que-5 Prepare the vertical pro-forma of Balance Sheet according to companies Act 2013. (14)

OR

Que-5 The trail balance of Gujarat Ltd. as on 31/03/2023 was as under:

Particulars	**Debit (Rs)**	**Credit (Rs)**
Equity Share Capital	-	12,00,000
12% Preference share Capital	-	3,00,000
10% Redemable Debentures	-	3,00,000
Opening Stock	1,40,000	-
Purchase & Sales	18,60,000	32,00,000
Goods returned	80,000	60,000
Land & Building	8,00,000	-
Plant & Machinery	6,00,000	-
Debtors and Creditors	4,00,000	2,00,000
Octroi	1,80,000	-
Selling & Distribution expenses	40,000	-
Carriage Outward	16,000	-
Wages	6,80,000	-
Administrative Expenses	1,70,000	-
Vehicles	1,20,000	-
Telephone Deposit	20,000	-
Director’s Fees	20,000	-
Loan of Director	-	40,000
Interest on debentures	12,000	-
Interest on Investments	-	16,000
Staff pension fund	-	16,000

Investments	3,00,000	-
Discount on debentures	80,000	-
Loose Tools	12,000	-
Bills	40,000	20,000
Fixed Deposits	-	48,000
General Reserve	-	1,40,000
Share Forfeiture A/c	-	20,000
Cash & Bank	50,000	-
Profit & Loss (1/4/22)	-	60,000
Total	**56,20,000**	**56,20,000**

Additional Information:

1. Authorized Capital of the company is as under 15,000 equity shares of Rs. 100 each and 12%, 3000 preference shares of Rs. 100 each.
2. Closing stock is valued at Rs. 2,80,000.
3. Depreciate L& B by 5%, Plant and Machinery by 10 % and vehicles by 20%
4. Interest receivable on investments is Rs. 14,000.
5. Provide Bad debt reserve on debtors at 5%.
6. Transfer Rs. 40,000 to General Reserve.
7. The directrors have proposed 10 % dividend on equity share capital.
8. 10 % Redeemable debentures are to be redeemed on 31/03/2029

Prepare final accounts of the company (horizontal form).

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