

Exam. Code : 108503

Subject Code : 2113

B.Com. 3rd Semester

CORPORATE ACCOUNTING

Paper—BCG-303

Time Allowed—Three Hours] [Maximum Marks—50

Note :—ALL questions are of equal marks. Attempt any **FIVE** questions selecting at least **ONE** question from each Section. Question **fifth** can be attempted from any section.

SECTION—A

1. Write notes on :
 - (i) Sources of redemption of preference shares.
 - (ii) Form of Balance Sheet as per Schedule III, Part I of Companies Act, 2013.
2. Grand legacy limited invited applications for issuing 70,000 equity shares of Rs. 10 each at a premium of Rs. 2 per share. The amount was payable as follows :
On application — Rs. 4 per share (including premium)
On allotment — Rs. 3 per share
On first and final call—Balance.

Applications for 1,00,000 shares were received. Applications for 10,000 shares were rejected. Shares were allotted to the remaining applications on pro-rata basis. Excess money received with applications were adjusted towards the sum due on allotment. All calls were made and duly received except first and final call on 700 shares allotted to Kamal. His shares were forfeited. The forfeited shares were reissued for Rs. 7,700 fully paid. Pass journal entries in the books of Grand Legacy Ltd.

SECTION—B

3. Write notes on :
- Difference between Pooling interest and Purchase method.
 - Difference between Internal and External Reconstruction.
4. The following is the Balance Sheet of X Ltd. :

	Rs.
Equity and liabilities	
Share Capital (50,000 Shares @ Rs. 10 each)	5,00,000
Debentures	1,00,000
Creditors	50,000
Total	6,50,000
Assets	
Intangible Assets	50,000
Other Assets	5,30,000
Statement of Profit and Loss	70,000
Total	6,50,000

Y Ltd. agreed to absorb the above company on the following terms :

- (i) Intangible assets are assumed to be worth NIL and other assets of X Ltd. are to be considered as worth Rs. 5,00,000.
- (ii) The purchase price is to be paid one quarter in cash and the balance in shares which are issued at market price.
- (iii) Y Ltd. agreed to take over all assets and liabilities.
- (iv) Liquidation expenses amounted to Rs. 300 agreed to be paid by X Ltd.
- (v) Market value of shares of Rs. 10 each of Y Ltd. is Rs. 12 each.

You are required to show Purchase consideration, Ledger accounts in the books of X Ltd. and opening entries in the books of Y Ltd.

SECTION—C

5. What are the main provisions governing preparation, audit and publication of accounts in banking companies ?
6. Prepare Profit and Loss account of Banking Company with imaginary figures.

SECTION—D

7. Write notes on :
 - (i) Principles of insurance
 - (ii) Premiums.

8. From the following particulars prepare the fire revenue account for 2015-16 :

	Rs. in lakhs
Claims paid	325
Legal expenses regarding claims	8
Premiums received	950
Reinsurance premiums	70
Commission	200
Expenses of management	125
Provisions against unexpired risk	
on April 1, 2015	280
Claims unpaid on April 1, 2015	30
Claims unpaid on March 31, 2016	55