Jamia Hamdard
School of Management and Business Studies
Department of Management
Odd Semester Examination - January 2023
B.Com (Hons.) III Semester
Subject Code BCH306 & Corporate Accounting

Roll No...

Duration: 3 Hour

Max.Marks -75

Section A - Short Answer (5X6=30)

Note: Attempt any Six Questions, All questions carry equal marks

Q1: Explain Debentures and also states the types of Debentures?

Q 2 Z LTD. purchased a running business from V LTD. for a sum Rs 250000 payble as 220000 in fully paid equity shares of Rs 10 each and balance by a bank draft. The assets and liabilities consisted of the following.

Plant & machinery Rs 90000 building 90000 sundry debtors Rs 30000 stock 50000 cash 20000 sundry creditors Rs 20000.

Journalise the above transactions

Q3: From the following trial balance of Fine Trading Co. Ltd., prepare 'Statement of surplus of Profit & Loss' and a 'Balance sheet' for the year ending 31st March, 2014 after making the following adjustments : **Transfer to: Reserve Fund, Employees, Provident Fund, Insurance Fund**

Credit Balances:	RS	Debit Balance:	RS
Statement of P&L Balance	70,000	Land & Building	5,00,000
Statement of P&L 2021-22	3,10,000	Machinery	4,00,000
Share Capital	10,00,000	Interim Dividend	60,000
Trade Payables	1,00,000	Inventories	3,40,000
Reserve Fund	1,70,000	Trade Receivables	2,50,000
Employees' Providend Fund	80,000	Cash at Bank	1,50,000
Insurance Fund	40,000	Calls in Arrears	1,00,000
Securities Premium Reserve	10,000		
Forfeited Shares A/c	20,000		
	18,00,000		18,00,000

Q4: Find the Share Capital of A Ltd. is Rs 4, 00,000 and of B Ltd. is also Rs 4, 00,000. A Ltd. distributes 50% of its profits as dividend while B Ltd. distribute 60% of its profits as dividend. Annual profits of A Ltd. is Rs 1, 00,000 and of B Ltd. is also Rs 1, 00,000. Find out value of shares of each of A Ltd. and B Ltd. Normal rate of return is 10% p.a. Each share of both the companies is of Rs 100.

Q5: Calculate the Value of Equity Share from the following

Equity Share Capital (RS. 20 each)	7000000
Reserve & Surplus	700000
15% secured loan	7500000
12.5% unsecured loan	2000000
Fixed Assets	4000000
Investments	700000
Operating profit	7500000
Tax rate	40%
P/E Ratio	12.5%

Q 6 Explain Yield Method of valuation of shares by the help of examples.

Q7: C Ltd. had Rs 5,00,000 authorized capital on 31-12-2020 divided into shares of RS 100 each out of which 4,000 shares were issued and fully paid up. In June 2021 the Company decided to convert the issued shares into stock. But in June, 2022 the Company re-converted the stock into shares of Rs 10 each, fully paid up.
Pass entries and show how Share Capital will appear in Notes to Balance Sheet as on 31-12-20, 31-12-21, 31-12-22.

Q8: Discuss purchase consideration by the help of suitable example?

Q9: Explain Realisation Account in Amalgamations?

Section B-Long Answer *(15X3=45)*

Note: Attempt any Three Questions; All questions carry equal marks

Q1: CAMBAY LTD was registered with an authorized capital of Rs 300000 in Rs 10 per equity share, of these 6000 Equity Shares as fully paid to the vendor for purchase of building, 8000 equity shares were issued for Subscription and during the first year Rs 5 per equity share were called-up, payable Rs 2 on application, RS 1 on allotment, RS 1 on first call and Rs 1 on second call, The amounts received in respect of these shares were.

On 6000 equity shares the full amount was received,

On 1250 shares Rs. 4 per equity share

On 500 shares Rs 3 per equity share

On 250 shares Rs 2 per equity share.

The company forfeited 750 equity shares on which less than Rs. 4 per equity share had been paid. Pass Journal entries in the books of the company.

Q 2 Write a short notes on

A Net Assets Method

B Fair value method

C Capitalization method of goodwill

Q 3. Explain Financial Statement of the Company according to the company Act 2013Schedule III. Also make the artificial statements i.e. Income Statement & Balance Sheet by the help of numerical figures.

Q4: Suppose you are Finance Manager of the B LTD and company is in loss due to COVID19. However company want to internal reconstruction any using of reduction of Share Capital. So discuss the situation by use of appropriate Journal Entries.

Q5: B Ltd. decides to absorb A Ltd. A Ltd. gives you the following information on the date of absorption:

Net assets	2,90.000
P&L Account (Dr balance)	70,000
Share capital: 3,000 Equity shares of RS 100 each (fully paid)	3,00,000
Preference shares	60,000

B Ltd. agrees to take over the net assets of Ltd.
The terms of the purchase consideration payable is as follows-

1. An equity share in A Ltd., for purposes of absorption, is valued @ Rs 70. B Ltd shall issue equity shares at value of Rs 120 each for the equity shareholders of A Ltd.

2. B Ltd. agrees to pay Rs 60,000 in cash for payment to preference shareholders. Calculate purchase consideration to be paid by B Ltd. and how will it be discharged?

Q 6. Write Short Notes on

A. Mergers
B. Takeover in Indian Prospective
C. Internal Reconstruction with the help of Suitable example