Roll No.	1 7 7	

The Assam Royal Global University Royal School of Commerce B. Com 2nd Semester

Semester End Examination June 2024

Course: Corporate Accounting

Code: COM042N201 (For Regular); COM042C201 (For Repeat)

Time: 3 hours

Maximum Marks: 70

Attempt all questions as per instructions given

The figures in the right-hand margin indicate marks

Section-A

Answer the following in brief (within 50 words)	Marks	CO	BT Level
What is redemption of debenture?	2	CO 1	BT 1
Can forfeited shares be re-issued at a discount? If so, to what extent?	2	CO 1	BT 1
Write a short note on proposed dividend.	2	CO 1	BT 1
What is meant by operating cycle?	2		BT 1
What is Bonus share?	_		BT 1
Mention the sources of funds for buy-back of shares.			BT 1
			BT 1
Write a short note on Net Asset Method of calculating	2	CO 1	BT 1
	What is redemption of debenture? Can forfeited shares be re-issued at a discount? If so, to what extent? Write a short note on proposed dividend. What is meant by operating cycle? What is Bonus share? Mention the sources of funds for buy-back of shares. Briefly explain Amalgamation in the nature of purchase.	What is redemption of debenture? Can forfeited shares be re-issued at a discount? If so, to what extent? Write a short note on proposed dividend. What is meant by operating cycle? What is Bonus share? Mention the sources of funds for buy-back of shares. Briefly explain Amalgamation in the nature of purchase. Write a short note on Net Asset Method of calculating 2	What is redemption of debenture? Can forfeited shares be re-issued at a discount? If so, to what extent? Write a short note on proposed dividend. What is meant by operating cycle? What is Bonus share? Mention the sources of funds for buy-back of shares. Briefly explain Amalgamation in the nature of purchase. Write a short note on Net Asset Method of calculating 2 CO1 Write a short note on Net Asset Method of calculating 2 CO1

Section-B

Q. No.	Answer any two of the following	Marks	CO	BT Level
2 (a)	Dhani Ltd. issued 5000 shares of Rs.100 each at a premium of Rs.10 payable as under: Rs.30 on application; Rs.40 on allotment including premium; Rs.40 on first and final call. All the shares were applied for and money received on due dates except allotment money and first & final call money on 100 shares. These shares were forfeited and reissued as fully paid at Rs.105 per share. Pass necessary journal entries.		CO 2	BT 2
2 (0)	Distinguish between Reserve Capital and Capital Reserve.	6	CO 4	BT 4
2 (c)	Identify and explain the various types of preference shares.	6	CO 3	BT 3

Q. No.	Answer any two of the following		Marks	CO	BT Level
3 (a)	From the following balances extracted from Ltd. Prepare the statement of Profit & prescribed in Schedule III (Part II) of the the year ended 31st March 2023.	Loss as per the format		CO 3	BT 3
	Sales Purchase Opening stock of finished goods	<u>Rs.</u> 3,40,000 95,000 60,000			

	Closing stock of Wages Salaries	of finished go	10,000				
	Depreciation of General expense Bank charges Interest receive	es	20,000 8,000 9,700 300 12,000				
	Dividend receive Profit on sale of Interest on debete Provision for ta	f investment enture	5,000 2,000 5,000 25,000)	y ·		
3 (b) 3 (c)	Identify and explain that as per IND AS.			1	7	CO 3	BT 3
	The following ledger Modern Ltd on 31-03-2 1,20,000 equity shares of Rs.10 each Creditors 10% Debenture General Reserve Securities Premium Surplus in Profit & Loss Statement	Rs. 12,00,000 La 1,60,000 St 1,00,000 Ft	and and Building ash at Bank ock in Trade urniture ant & Machinery	Rs. 6,00,000 1,00,000 3,50,000 6,00,000 3,50,000	7	CO 4	BT 4

Q. No.	Answer any two of the following	Marks	CO	DOT T
4 (a)	Examine the concept of theoretical market price? Distinguish		CO	BT Level
2	between Bonus shares and Right share.	2+5	CO 4	BT 4
4 (b)	What is Right Issue? Explain the advantages of Right Issue.			
` /	Explain the advantages of Right Issue.	2+5	CO 1	BT 1
4 (c)	North Foot Co. 11 (1)		CO 2	BT 2
+ (0)	North East Coal Ltd. has paid up capital of Rs.7,00,000 divided	7	CO 2	BT 2
	mto equity shares of Rs.10 each, Rs 7 naid up		002	D1 Z
	The following balances are available in the books of the			
	company.			
	i) Securities Premium A/c - Rs.4,00,000			
	ii) surplus in the statement of profit and loss Rs.2,40,000 after			
	declaration of dividend.			
	iii) General Reserve – Rs.1,80,000			
	The company has decided in the			
	The company has decided in the general meeting to capitalize the			
	necessary amount of the above balances by paying - 1			
	RS.5 per share to make the share fully paid up. Show page-			
	journal entries in the books of the company.		ĺ	

Q. No. 5 (a)	Answer any two of the following (Within 300 words each)	Marks	CO	BT Level
, ,	What is meant by amalgamation of companies? Discuss the objectives of amalgamation.	2+5	CO 1	BT 1
5 (b)	What is amalgamation in the nature of merger? Outline the		CO 2	BT 2
	conditions to be satisfied for amalgamation in the form of merger.	2+5	CO 1	BT 1
	of untargamation in the form of merger.		CO 2	BT 2

	Chakraborty Ltd. agreed to take over the busines 31 st March 2023. The summarized balance sheet follows:	of Roy Ltd. is as	7	CO 2	BT 2
	Roy Ltd Balance Sheet as at 31/03/2023				
	Suitairee Sheet as at \$1/03/2023				
	I. EQUITY AND LIABILITIES:	Rs.	9		
	1. Shareholders Fund:				
	a. Share Capital				
	60,000 shares of Rs.10 each fully paid				
	b. Reserves and Surplus:	6,00,000			
	l l'A-1 1 D				
	C				
	C1 :- 1 70,000				
	Surplus in the P&L A/c = $1.10,000$	2,80,000			
	2. Non-Current Liabilities (6% Debentures)	1,00,000			
	3. Current Liabilities (Creditors)	20,000			
	II. ASSETS:	10,00,000			*
	1. Non-Current Assets:				
	Property, Plant & Equipment:				
	Land & Building $= 6,40,000$				
	Goodwill = $\frac{1,00,000}{1,00,000}$	7 10 000			
	2. Current Assets:	7,40,000			
	Inventory = 1,68,000				
	Trade Receivables $= 36,000$				
	Cash & cash equivalents $= 56,000$				
		2,60,000			
	TOTAL	10,00,000			
-	The consideration payable by Chakraborty Ltd. w	vas agreed og			
	- 110 113.				
1	Cash payment equivalent to Rs.2.50 for every R	s 10 share in			
	of Eta.	9			
ĺ	i) the issue of 90,000 shares of Rs.10 each fu	ully poid in			
1	and described the state of the		1		
1 1	I The issue of such an amount of fully poid sol	1.1			
0.00	Liu, at 7070 AS 18 cultivate to 1. 1	104 Date 1			
1	The state of the s				
	South Consideration Land and Building				
	-, o, o, o, stock at to 14/11111 and dalete				
100000	Jes to anowance of the doubtful dela	0 0			
li	quidation was Rs.5,000. Show Journal entries in the	s. Cost of			
\square R	oy Ltd.	ne books of			

Course Outcomes	N.T. I.	
COL	Marks Allotted	Percentage
COI	22	
CO2	35	Approx 60%
CO3	20	-FP-011 0070
COA	20	Approx 20%
	20	Approx 20%