



**WEST BENGAL STATE UNIVERSITY**  
B.Com. Programme 5th Semester Examination, 2021-22

**FACGDSE02T-B.COM. (DSE1)**

**CORPORATE ACCOUNTING**

Time Allotted: 2 Hours

Full Marks: 50

*The figures in the margin indicate full marks.  
Candidates should answer in their own words and adhere to the word limit as practicable.  
All symbols are of usual significance.*

**GROUP-A**

**Answer any two questions from the following**

10×2 = 20

নিম্নলিখিত যে-কোন দুটি প্রশ্নের উত্তর দাও

1. Sun Ltd. issued a prospectus inviting application for 10,00,000 equity shares of Rs. 10 each. The entire issue was underwritten by A, B, C and D as follows: A 30%; B 25%, C 35% and D 10%. 10  
The applications were received for 8,00,000 shares of which marked applications were as follows:  
A 1,80,000 shares; B 2,00,000 shares; C 2,03,000 shares and D 1,67,000 shares.  
Calculate liability for the underwriters.
2. Distinguish between Equity Shares and Debentures. Write a short note on ESOP. 6+4  
ইকুইটি শেয়ার এবং ডিবেঞ্চারের মধ্যে পার্থক্য নির্ণয় করো। ESOP-এর সম্পর্কে সংক্ষিপ্ত টীকা লেখো।
3. A company had 4,000 6% preference shares of Rs. 100 each fully paid. The company decided to redeem the Preference Shares at a premium of 5%. The Company made the following issues: 10  
(i) 1,000 Equity Shares of Rs. 100 each at a premium of 10%  
(ii) 1,000 6% Debentures of Rs. 100 each  
The issue was fully subscribed and all the amounts were duly received. The redemption of Preference Shares was duly carried out. The Company had sufficient profits.  
Show Journal Entries in the books of the company.
4. Briefly discuss the conditions to be fulfilled at the time of Buyback of Shares. 10  
শেয়ারের পুনঃক্রয়ের সময় যে শর্তগুলি পূরণ করতে হয় সেগুলি সংক্ষেপে আলোচনা করো।
5. From the following information relating to A Ltd., calculate value per Equity Share as per Intrinsic Value Method. 10  
Equity Share Capital: 5,000 Equity Shares of Rs. 20 each.  
Preference Shares Capital: 1,000, 8% Preference Shares of Rs. 100 each.

Reserves: Rs. 20,000

Loss on Revaluation of Fixed Assets: Rs. 12,000.

The Assets of the company included a fictitious item for Rs. 800.

Average Trading Profit (After Tax): Rs. 30,000

Normal Rate of Return on Capital Employed: 10%.

Goodwill should be valued at 3 years purchase of super profit.

6. Write short notes (any *two*): টীকা লেখোঃ (যে-কোন দুটি) 5×2
- (i) Bonus Shares / বোনাস শেয়ার
- (ii) Consolidation of Balance Sheet / উদ্বর্তপত্রের একত্রীকরণ
- (iii) Reasons for Internal Reconstruction / আভ্যন্তরীণ পুনর্গঠনের কারণ।

### GROUP-B

Answer any *two* questions from the following

15×2 = 30

নিম্নলিখিত যে-কোন দুটি প্রশ্নের উত্তর দাও

7. X Ltd invited application for 10,000 shares of Rs.100 each at a discount of 6% payable as follows: on application Rs. 25; on allotment Rs. 34; on 1st call and final call Rs. 35. 15

The application was received for 9,000 shares and all the shares were accepted. All money due was received except the first and final call money on 100 shares which were forfeited after all legal formalities. Out of the forfeited shares, 50 shares were re-issued @ Rs. 90 as fully paid up.

Show Cash Book and Journal Entries in the books of X Ltd.

8. The following is the Trial Balance of X Ltd. as on 31.3.2021: 15

	Rs.		Rs.
Opening stock	75,000	Purchase Returns	10,000
Purchases	2,45,000	Sales	3,40,000
Wages	30,000	Discount	3,000
Carriage	950	Surplus in Statement of Profit and Loss (01.04.2020)	15,000
Furniture	17,000	Share Capital	1,00,000
Salaries	7,500	Creditors	17,500
Rent	4,000	General Reserve	15,500
Trade Expenses	7,050	Bills Payable	7,000
Dividend paid	9,000		
Debtors	27,500		
Machinery	29,000		
Bank	46,200		
Patents	4,800		
Bills Receivable	5,000		
<b>Total</b>	<b>5,08,000</b>	<b>Total</b>	<b>5,08,000</b>

**Information:**

- (i) Closing Stock Rs. 88,000. (ii) Provide for Income Tax at 50%. (iii) Outstanding

Rent and outstanding Salary amounted to Rs. 800 and Rs. 900 respectively.  
(iv) The Board recommends payment of dividend @15% p.a. Transfer 5% of Net Profit to General Reserve. (v) Provide Rs. 510 for doubtful debts. (vi) Provide for managerial remuneration at 10% of profit before tax.

Prepare a Statement of Profit & Loss for the year ended 31.3.2021 and a Balance Sheet as on that date.

9. What do you mean by Redemption of Debenture? What are the different ways in which debentures may be redeemed by a company? Mention the sources which can be used for redemption of debenture. 2+8+5

ডিবেঞ্চার পরিশোধ বলতে কি বোঝ ? কি কি পদ্ধতিতে একটি কোম্পানীর ডিবেঞ্চার পরিশোধ করতে পারে ? ডিবেঞ্চার পরিশোধ করার জন্য যে উৎসগুলি ব্যবহার করা যায় সেগুলি উল্লেখ করো।

10. A Ltd. acquired 2,000 Equity Shares of Rs. 100 each in B Ltd. on 31.12.2019. The following are the Balance Sheets of the two companies as on 31.12.2020: 15

Particulars	A Ltd.	B Ltd.
<b>I. EQUITY &amp; LIABILITIES</b>		
<b>1. Shareholders' Fund:</b>		
(a) Share Capital—Equity Shares of Rs. 100 each	8,00,000	2,50,000
(b) Reserves & Surplus:		
(i) Reserves	3,00,000	50,000
(ii) Profit & Loss Account	1,00,000	1,00,000
<b>2. Non-Current Liabilities</b>	-----	-----
<b>3. Current Liabilities</b>		
Trade Payables---Sundry Creditors	2,00,000	50,000
<b>TOTAL</b>	<b>14,00,000</b>	<b>4,50,000</b>
<b>II. ASSETS</b>		
<b>1. Non-Current Assets:</b>		
(a) Tangible Assets---Plant & Machinery	7,00,000	2,50,000
(b) Non-Current Investments---2,000 Equity Shares in B Ltd.	3,00,000	-----
<b>2. Current Assets:</b>		
Other Current Assets	4,00,000	2,00,000
<b>TOTAL</b>	<b>14,00,000</b>	<b>4,50,000</b>

**Information:**

(i) B Ltd. had a credit balance of Rs. 50,000 in the Reserves and Rs. 20,000 in Profit & Loss Account when A Ltd. acquired B Ltd. (ii) B Ltd. issued Bonus Shares in the ratio of one for every five shares held out of the profit earned during 2020. This was not shown in the above Balance Sheet of B Ltd.

Prepare a Consolidated Balance Sheet of A Ltd. and its Subsidiary as on 31.12.2020.

11. Write short notes (any *three*): টীকা লেখোঃ (যে-কোন *তিনটি*) 5×3 = 15

(i) Minority Interest / সংখ্যালঘু স্বার্থ

(ii) Different Types of Goodwill / বিভিন্ন ধরনের সুনাম

(iii) Right Shares / অধিকার শেয়ার

(iv) Liquidator's Statement of Account / লিকুইডেটরের হিসাব খাত বিবরণী।

12. The following is the Balance Sheet of AB Ltd. as on 21.03.2021:

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Particulars	A Ltd. (Rs.)
<b>I. EQUITY &amp; LIABILITIES</b>	
<b>1. Shareholders' Fund:</b>	
(a) Share Capital- Equity Shares of Rs. 10 each	10,00,000
(b) Reserves & Surplus:	
(i) General Reserves	3,00,000
(ii) Profit & Loss Account	2,00,000
<b>2. Non-Current Liabilities:</b>	
Long Term Borrowings- 8% Debenture	6,00,000
<b>3. Current Liabilities:</b>	
(i) Sundry Creditors	6,00,000
(ii) Provision for Taxation	1,00,000
<b>TOTAL</b>	<b>28,00,000</b>
<b>II. ASSETS</b>	
<b>1. Non-Current Assets:</b>	
(a) Tangible Assets:	
(i) Building	6,00,000
(ii) Plant	3,00,000
(b) Non-Current Investment	7,00,000
<b>2. Current Assets:</b>	
(a) Stock	1,00,000
(b) Debtors	8,00,000
(c) Cash	3,00,000
<b>TOTAL</b>	<b>28,00,000</b>

AB Ltd. was absorbed by BC Ltd. on 01.04.2021 on the following conditions:

- (i) BC Ltd. will take over all assets except Cash and Investment
- (ii) BC Ltd. will issue 10% Debenture to discharge 8% Debenture at a premium of 6%.
- (iii) The vendors will get 5 Equity Shares of Rs. 10 each at Rs. 18 each from the purchaser for every 10 Equity Shares.
- (iv) A cash payment of Rs. 4 per share in AB Ltd. was agreed.
- (v) AB Ltd. sold the Investments at a profit of 40% and paid off creditors at a discount of 25%.
- (vi) The cost of Absorption amounted to Rs. 14,000.

Prepare (i) Ledger Accounts in the books of AB Ltd and (ii) pass Journal Entries in the books of BC Ltd.

**N.B. :** Students have to complete submission of their Answer Scripts through E-mail / Whatsapp to their own respective colleges on the same day / date of examination within 1 hour after end of exam. University / College authorities will not be held responsible for wrong submission (at in proper address). Students are strongly advised not to submit multiple copies of the same answer script.

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