



24026866

QP CODE: 24026866

Reg No :

Name :

**BBM DEGREE (CBCS) REGULAR / IMPROVEMENT / REAPPEARANCE
EXAMINATIONS, OCTOBER 2024**

Third Semester

Bachelor of Business Management

CORE COURSE - BM3CRT11 - CORPORATE ACCOUNTING

2017 Admission Onwards

A29ADB87

Time: 3 Hours

Max. Marks : 80

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Define a Company.
2. What is pro rata allotment?
3. What is meant by lien on shares?
4. What is meant by proceeds of a fresh issue of shares?
5. What is a Mortgage Debenture?
6. What is a non-cumulative sinking fund?
7. What are Pre-Operative Expenses?
8. What is Capital Reserve?
9. What are the resources used in a business enterprise?
10. What is Historical Cost method?
11. What is Market Value?
12. What is brand accounting?

(10×2=20)

Part B

*Answer any **six** questions.*

*Each question carries **5** marks.*





13. What are legal requirements regarding Buy Back of shares?
14. A Ltd. Issued 4,000 6% Debentures of Rs. 100 each at Rs. 105. The debenture-holders had the option of converting within one year, debentures into 8% Participating preference shares of Rs. 100 each at Rs. 125. At the end of the 1st year the interest on debentures was outstanding. Holders of 200 debentures decided to take advantage of the option. Give journal entries and show the Balance sheet of the company.
15. From the following particulars, show how the fixed asset machinery should be shown in the Balance Sheet of a company as on 31.3.2012 and 31.3.2013:
- a) Cost of Machinery as on 31.3.2011 ----- 240000
 - b) Amount added on writing up of assets in June 2011 ----- 100000
 - c) Additions made in 2011-12 ----- 12000
 - d) Cost of machinery sold in 2011-12 ---- 7000
 - e) Additions made in 2012-13 ----- 21000
 - f) Cost of machinery sold in 2012-13 ----- 11000
 - g) Depreciation provided up to 31.3.11 ----- 65000
 - h) Depreciation in respect of machinery sold in 2011-12 ----- 3000
 - i) Depreciation in respect of machinery sold in 2012-13 ---- 8000
 - j) Depreciation provided in 2011-12 ----- 15000
 - k) Depreciation provided in 2012-13 ----- 20000
16. What are the importance and advantages of Trading Account?
17. What are the limitations of Value Added Statement?
18. What are the importances of Environmental Accounting?
19. What are the benefits of Lean Accounting?
20. What are the objectives of Forensic Accounting?
21. Explain the need for Accounting Standards.

(6×5=30)

Part C

Answer any **two** questions.

Each question carries **15** marks.

22. ABC Limited offered for public subscription 2,000 equity shares of Rs 100 each at a premium of Rs 20 per share on the following items:
- (a) Applications money to be paid before 30th June, 2000; Rs 40 per share.
 - (b) Allotment money to be paid before 20th September, 2000; Rs 50 per share including





Rs 20 premium.

(c) First and final call money to be paid before 31st December, 2000; Rs 30 per share.

Applications for 4,000 shares were received, the Company decided to:

(i) Allot in full 200 shares to 4 applicants who had applied for the same.

(ii) Reject the applications for 1,400 shares applied for by persons suspected to be agents of a rival company

(iii) Allot the balance number of shares proportionately, to the remaining applicants, and to apply the excess money paid towards the allotment money dues.

Ravi who had applied for 100 shares and who was allotted all the shares applied for could not pay allotment money. Ruby who was allotted 60 shares on the proportion basis could not pay the final call. After due notices all such shares were forfeited and reissued at a discount of 20% of the face value of the share of Mr. Reddy.

Pass the necessary journal entries to record the above transactions in the books of the Company.

23. Merchants Ltd. issued 10,000 7.5 percent debentures of Rs. 1,000 each on 1st July, 1997 at a price of Rs. 990. There was a provision at the time of issue that the debentures can be redeemed either by purchase in the market or by drawing lots. The expenses of issue amounting to Rs. 50,000 were written off in 1997. In the subsequent year, the entire Discount on debentures was written off. In March 2006, the company purchased debentures worth Rs. 10,00,000 @ Rs. 975 and in May 2006 worth Rs. 5,00,000 @ Rs. 980 in both cases at cum-interest price. The debentures so purchased were cancelled on 31st December 2006. Assuming interest is payable half-yearly ie. on 30 June and 31 December, prepare the necessary Journal entries in (1997 and 2006) recording the above transactions including interest on debentures.
24. What are the legal provisions governing the maintenance and publication of Final Accounts?
25. Is HRA essential in business organization?

(2×15=30)

