



ADIKAVI NANNAYA UNIVERSITY :: RAJAHMAHENDRAVARAM
B.Com GENERAL Syllabus (w.e.f: 2020-21 A.Y)

MODEL QUESTION COURSE

B.Com DEGREE EXAMINATION
SEMESTER: IV
GENERAL
Course 4A: Corporate Accounting

Time: 3Hrs.

Max. Marks: 75

Section-A

Answer any **FIVE** of the following questions.

5X5=25M

1. Forfeiture of Shares
2. Buyback of shares
3. Annuity Method of Goodwill
4. Fair value method
5. Companies Act, 2013
6. Equity Share Capital
7. Dividend
8. Goodwill

Section- B

Answer **FIVE** questions.

5X10=50M

9. a) X Ltd. Forfeited 100 equity shares of Rs. 10 each held by Rooldu Ram on 15th December, 2015 for non-payment of First Call of Rs. 2 per share and the final call of Rs. 3 per share. These shares were re-issued to Mohan on 25th December 2015 at a discount of Rs. 3.50 per share. Pass journal entries.

(OR)

- b) What are the advantages of Equity Share Capital and Preference Share Capital?

10. a) Explain the major sources where from the debentures can be redeemed.

(OR)

- b) What is the purpose of issue of bonus shares? What are the conditions which have to be fulfilled while making such an issue?

11. a) RG and MK are the partners in the firm. Their capitals are 3, 00,000 and 2,00,000. During the year ended 31st March, 2010 the firm earned a profit of 1,50,000. Assuming that the normal rate of return is 20%. Calculate the value of goodwill of the firm:

1. By capitalization method

2. By super profit method if the goodwill is valued at 2 years purchase of super profit.

(OR)

- b) Define goodwill. When may the need for evaluating goodwill arise in the case of a joint stock company?

12. a) Explain need for valuation and methods of valuation.

(OR)

- b) From the following Balance Sheet of Sweetex Ltd. you are asked to-ascertain the value of each Equity Share of the company:

| Liabilities | Amount Rs. | Assets | Amount Rs. |
|--|-----------------|----------------------|-----------------|
| 20,000 Equity Shares Rs. 10 each, fully paid | 20,000 | Good Will | 30,000 |
| 1000, 6% Preference Shares of Rs.100 each, fully paid | 1,00,000 | Land And Building | 1,00,000 |
| Reserves | 60,000 | Plant and Machinery | 1,20,000 |
| Sundry Creditors | 40,000 | Investment(At Cost) | 60,000 |
| Provision for Taxation | 20,000 | Stock | 50,000 |
| Other Liabilities | 10,000 | Debtors | 40,000 |
| | | Cash at Bank | 24,000 |
| | | Preliminary Expenses | 6,000 |
| | 4,30,000 | | 4,30,000 |



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For the purpose of valuing the shares of the company, the assets were revalued as: Goodwill Rs. 50,000; Land and Building at cost plus 50%, Plant and Machinery Rs. 1, 00,000; Investments at book values; Stock Rs. 80,000 and Debtors at book value, less 10%.

13.a) A limited company has an authorized capital of Rs.1,000,000 divided into 60,000 equity shares of Rs.10 each and 4,000, 10% preference shares of Rs.100 each out of which 50,000 equity share and 3,000 preference share were issued and fully paid up. The profit for the year 2019 being the first year of operation amounted to Rs.1,80,000 after income tax. The directors decided to declare a dividend of 22% on the equity share capital after.

i. Statutory minimum requirement transfer to general reserve

ii. Provision of dividend on preference shares.

Prepare profit and loss appropriation account and show liabilities side of the balance sheet.

(OR)

b) What are the salient features and provisions of Companies Act, 2013.