

(i) Printed Pages : 4 Roll No.

(ii) Questions : 14 Sub. Code :

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**Bachelor of Commerce (FYUP) 2nd Semester
(2056)**

CORPORATE ACCOUNTING

Paper : NBCM201

Time Allowed : Three Hours] [Maximum Marks : 80

Note :— Attempt any **four** questions from Section - A. Each question in this section carries **5** marks. Attempt any **two** questions each from Section - B and C respectively. Each question in these sections carries **15** marks.

SECTION-A

1. What is Profit Prior to Incorporation and how is it treated?
2. Explain the Slip System of Posting. What are its advantages?
3. Bhalla Ltd. invited applications from public for 1,00,000 equity shares of Rs. 10 each at a premium of Rs. 5 per share. The entire issue was underwritten by the underwriters Kapoor, Mahajan, Saini, and Jain to the extent of 30%, 30%, 20%, and 20% respectively with the provision of firm underwriting of 3,000; 2,000; 1,000; and 1,000 shares respectively. The company received applications for 70,000 shares from public out of which applications for 19,000; 10,000; 21,000; and 8,000 shares were marked in favour of Kapoor, Mahajan, Saini, and Jain respectively. Calculate the liability of each one of the underwriters treating firm underwriting shares on par with marked applications.

4. X Ltd. borrowed Rs. 25,00,000 from a scheduled bank at an annual interest rate of 12% and deposited 14% debentures of the face value of Rs. 40,00,000 as collateral security. Pass the journal entries regarding the issue of debentures as collateral security and also show the above items in the company's Balance Sheet.
5. A company offers to its shareholders the right to buy one share of Rs. 20 each at Rs. 41 for every 2 shares held. The company declared a dividend of Rs. 3 last year. On the declaration of dividend and recommendation of the right, the shares are quoted at a price of Rs. 53 cum-dividend and cum-right. Calculate the value of the right.
6. A life insurance company gets its valuation made once in every two years. Its Life Assurance Fund on 31st March, 2026, amounted to Rs. 41,40,000 before providing Rs. 30,000 for the shareholders' dividend for the year 2025-26. Its actuarial valuation due on 31st March, 2026 disclosed a net liability of Rs. 40,40,000 under assurance annuity contracts. An interim bonus of Rs. 60,000 was paid to the policyholders during the year ending 31st March, 2026.
Prepare a statement showing the amount now available as bonus to policyholders.

SECTION-B

7. What do you mean by Buy-back of Shares? State the provisions of the Companies Act, 2013 relating to buy back of shares.
8. Explain the various ways in which the company can capitalize its profit. Also state the important SEBI guidelines for the issue of bonus shares.

9. Shampy Ltd. issued 25,000, 7% redeemable preference shares of Rs. 100 each at par. At 30th June 2025, the shares are to be redeemed at Rs. 110 a share and for the purpose of assisting the redemption, 1,50,000 equity shares of Rs. 10 each were issued at par. On the above date, 1,000 of the redeemable preference shares were forfeited for non-payment of last call of Rs. 25; 800 of which had been reissued as fully paid for Rs. 60 a share. The balance of Surplus A/c was Rs. 12,10,000 and General Reserve Rs. 3,00,000. On the same day as the redemption took place, a bonus share dividend was declared of Rs. 12,50,000. Show the ledger accounts as on 30th June 2025.
10. A company issued 10,000 shares of Rs. 10 each at a premium of Rs. 5 per share payable as Rs. 3 on application, Rs. 8 on allotment (including premium), Rs. 3 on first call, and Rs. 1 on second call. Applications were received for 20,000 shares and pro-rata allotment was made to the applicants of 15,000 shares. X, holding 200 shares could not pay allotment money and on his failure to pay first call, his shares were forfeited. Z, holding 300 shares paid first call and second call money on 200 shares only. 100 shares of Z were forfeited after second call. Pass journal entries and prepare Balance Sheet.

SECTION-C

11. What do you mean by Redemption of Debentures? Explain the various methods of redemption of debentures.
12. Prepare the various proformas of financial statements of insurance companies carrying on Life Insurance Business.

13. Following balances appeared in the books of a company on 1st April, 2025:

12% Debentures Rs. 8,00,000; 12% Debentures Sinking Fund Rs. 6,00,000; 12% Debentures Sinking Fund Investments Rs. 6,00,000 (represented by 10% Government Bonds secured of Rs. 7,20,000).

Annual contribution to Sinking Fund was Rs. 1,28,000 made on 31st March every year. On 31st March, 2026 balance at bank was Rs. 4,00,000 before receipt of interest. The company sold the investments at 80% and debentures were paid up. You are required to prepare necessary ledger accounts in the books of company.

14. From the following information prepare Profit and Loss Account of Kangaal Bank for the year ended on 31st March, 2026:

	Rs. (000)		Rs. (000)
Interest on Loans	2,590	Interest on Overdrafts	1,540
Interest on Fixed Deposits	3,170	Payment to Employees	540
Rebate on Bills Discounted	490	Auditors' Fees	12
Directors' Fees and Allowances	30	Interest on Cash Credits	2,230
Interest on Savings Bank Deposits	680	Printing and Stationery	29
Discount on Bills Discounted (Gross)	1,550	Sundry Charges	17
Postage, Telegrams & Telephones	14	Commission	82
Rent, Taxes and Lighting	180		

Additional Information:

- (i) Provide for Contingencies Rs. 2,00,000
- (ii) Transfer Rs. 15,57,000 to Reserves and
- (iii) Transfer Rs. 2,00,000 to Central Govt.