

Printed Pages : 6

Roll No.

4096

B.B.A. Examination, 2016

Third Semester

Fifth Paper

(Company Accounting)

Time : Three Hours

Maximum Marks : 70

[Pass Marks : Individual Paper : 40%

[Aggregate : 50%

Note: Answer **five** questions in all. Short answer type **Question No. 1** carrying 30 marks is **compulsory**. Answer **one** question carrying 10 marks from each Unit.

1. Answer the following short answer questions :

3x10=30

P.T.O.

(2)

- (i) What is fraction shares?
- (ii) What are the various conditions of redemption of Debenture.
- ~~(iii)~~ Distinguish between Equity and Preference Shares.
- ~~(iv)~~ Define Managerial Remuneration.
- (v) Why final account is prepared?
- ~~(vi)~~ Distinguish between Amalgamation and Absorption.
- ~~(vii)~~ Distinguish between Internal and External reconstruction.
- (viii) What is minority interest? How is it computed?
- ~~(ix)~~ Why and when deficiency account is prepared?
- (x) Why liquidator's final statement of account is prepared as per law?

UNIT-I

2. What is the meaning of forfeiture of shares? How are shares forfeited? Can forfeited shares be reissued at discount? If so, to what extent? 10

4096

(3)

OR

3. How debentures are redeemed? At the time of redemption what Journal entries are passed?

UNIT-II

4. What is divisible profit? What various provisions are made in the Companies Act regarding distribution of dividend? 10

OR

5. Prepare a specimen of companies Balance Sheet according to New Companies Act, 2013.

UNIT-III

6. The N Ltd and the M Ltd. engaged in the similar nature of business, decided to amalgamate and form a new company called as NIM Ltd. The new company takes over all the assets and liabilities of both the companies at their existing value. Following are the Balance Sheets of N Ltd. and M. Ltd. as on 31st March, 2015.

4096

P.T.O.

(4)

Liabilities	N. Ltd Rs.	M. Ltd Rs.	Assets	N. Ltd Rs.	M. Ltd Rs.
Share Capital			Fixed Assets:		
Equity shares of Rs. 10 each	1,50,000	91,000	Goodwill	60,000	40,000
Reserve & Surplus			Freehold premises	20,000	-
General Reserve	8,400	-	Plant & Machine	36,600	26,900
Profit & Loss	1,600	9,000	Current Assets:		
Current liabilities & Provisions:			Stock in Trade	32,000	23,100
Creditors	6,600	4,000	Debtors	15,000	12,000
			Cash at Bank	3,000	2,000
	1,66,600	1,04,000		1,66,600	1,04,000

You are required to calculate the purchase consideration and state what proportion of shares in N-M Ltd, the share holders of N Ltd and M Ltd will get?

Pass the journal entries in the books of N Ltd and M Ltd also in the books of New Company (NM Ltd) and prepare Balance sheet after the amalgamation in the nature of merger. 10

OR

7. What is meant by Reconstruction of company? Why internal reconstruction is required? What accounting entries are made in this regard.

4096

(5)

UNIT-IV

8. The following are the summarised Balance sheets of A Ltd and B Ltd as at 31.03.2015. B. Ltd is a subsidiary company of A Ltd. 10

Liabilities	A. Ltd Rs.	B. Ltd Rs.	Assets	A. Ltd Rs.	B. Ltd Rs.
Share Capital	1,80,000	1,00,000	Sundry Assets	1,90,000	80,000
Profit & Loss A/c	35,000	-	Debtors	50,000	25,000
Creditors	80,000	30,000	Shares in subsidiary company 8000 shares of Rs. 10 each	55,000	-
	2,95,000	1,30,000	Profit & loss A/c	-	25,000
				2,95,000	1,30,000

The debtors of A Ltd include Rs. 10,000 due from B Ltd. A Ltd acquired the shares of B Ltd on 1st October, 2014, when the subsidiary company had a debit balance on Profit & loss Account of Rs. 40,000. Prepare consolidated Balance Sheet.

OR

9. How is the liability of list 'B' contributories

4096

P.T.O.

(6)

determined? Who are preferential creditors?

What is Statement of Affairs.