

Bankim Sardar College

Vth Sem Examination, 2020

B.Com Hons/ Gen.

Corporate Accounting (DSE 5.2A)

Time: 2 Hours

Full Marks: 90

Group- A

Write any Five questions:

2X5

- 1 What do you mean by Preference share ?
2. Define Debenture.
3. Define Goodwill.
4. What do you mean by Amalgamation ?
5. What is Reconstruction of a company ?
6. What is right share?
7. Define Capital reduction.
- 8 What is Dividend ?

Group- B

Answer any Two questions-

10X2 :

1. Give the differences between Equity and Preference share..
2. What are conditions of Redemption of Preference share.
3. Give the differences between Right and Bonus share.
4. Give the difference between Amalgamation, Absorption and Reconstruction.

Write any Three questions:

20X3

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5. What do you mean by Buy back of share? Mention the conditions for buy back of share. Give the importance of Buy back of share.
 6. X Ltd. Issued 20000 Equity shares of Rs.10 each payable as Rs. 3 per share on application , Rs. 3 per share on allotment and Rs. 4 on call. Applications were received on 22000 shares The directors have decided to refund 2000 excess application money. When the call was made all sums due were received except 1000 shares, failed on call money. Give the necessary Journal entries.
 7. A company had 4000 preference shares of Rs.100 each fully paid up. The company decided to redeem the share at a premium of Rs. 10 per share. It made the following issues-a) Issue 1000 equity shares at Rs. 100 each, b) 1000, 6 percent Debentures of Rs. 100 each.
The issues were fully subscribed and all the amounts were duly received. The redemption was duly carried out. The company had sufficient profits. Give Journal entries.
 8. Calculate Goodwill as per a) Annuity method, b) 5 years purchase of super profit method and c) capitalization of average profit methods from the following informations-

Capital Employed	Rs.630000
Normal rate of profit	10 percent
Present value of annuity of Re, 1 for 5 years at 10 percent	3.77545

 Net profit before taxation – Tax rate 50 percent, 1st year Rs. 105000, 2nd year Rs.145000, 3rd year 175000, 4th year Rs. 200000 and 5th year Rs.150000..
 Non trading income Rs 5000 and Debenture interest Rs 10000, included in the Profit and Loss account.
 Fixed Assets revalued by Rs. 20000 than the existing book value of the Assets.
 - 9.a) Discuss the different methods of valuation of Share.
 - b) Write a note on Amalgamation in the nature of purchase and Amalgamation in the nature of merger.
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