BCO-315

Sl.No. : **Total No. of Pages : 3**

Third Year B.Com. Degree Examination, October/November - 2025

(SLM Scheme)

CORPORATE ACCOUNTING

Time : 3 Hours **Max. Marks : 80**

PART - A

Answer any Four Questions. Each Question carries 5 Marks. [4 × 5 = 20]

Q1) What are the legal provision's relating to underwriting commission.

Q2) Write a note on minority interest.

Q3) Explain any two methods of calculating purchase consideration in Amalgamation.

Q4) List any five life insurance policies.

Q5) Write a note on valuation of goodwill.

Q6) What is Pre-Acquisition Profit and Post-Acquisition Profit.

PART - B

Answer any Three Questions. Each Question carries 10 Marks. [3 × 10 = 30]

Q7) Steel company ltd., issued bonus shares to make partly paid up shares in to fully paid up shares. They also declare two fully paid Bonus shares for every 5 shares held.

Balance on 31st March 2025 given as under:

Share Capital:	**Amount**
10,000 equity shares of ₹ 10 each	
₹ 80 paid up	8,00,000
Security premium	2,00,000
General reserve	4,00,000
Capital redemption reserve	3,50,000

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

Q8) The net profit of business after providing for taxation for the past 5 years were: ₹1,40,000, ₹1,60,000, ₹1,80,000, ₹2,10,000 and ₹2,30,000. The capital employed in the business is ₹12, 00,000. The reasonable rate of return expected in this type of business is 12%.

Calculate the value of good will on the basis of:

a) 5 years purchase of super profit method.

b) Capitalization method and

Q9) A company issued 1,00,000 shares. These share are underwrites as follows. X = 6000 shares, Y = 250000 shares and Z =15000 shares.

- In addition there is firm underwriting X = 8000 shares Y = 3000 shares and Z=10000 shares.
- The company received 71000 shares excluding firm underwriting, and the numbers of marked forms were as below.
- X=10000 shares, Y = 20000 shares and Z= 5000 shares.

Determine the net liability of underwriters.

Q10) What is Liquidation of a company? Describe the different methods of Liquidation of a company.

Q11) Explain the methods of valuation of shares.

PART - C

Answer any Two Questions. Each Question carries 15 Marks. [2 × 15 = 30]

Q12) Following is the Balance sheet of Break Ltd., as on 31 March 2025

Liabilities	Amount	Assets	Amount
3000. 6% preference shares of ₹100 each	3,00,000	Land and Building	6,00,000
		Plant and Machinery	6,60,000
6000 equity shares of ₹100 each	6,00,000	Stock	3,00,000
9000 equity shares of ₹100 each, ₹50 paid	4,50,000	Debtors	3,00,000
		Cash at bank	90,000
8% Debentures (secured)	4,00,000	Profit and Loss Account	
Bank Loan (Mortgage on Building)	3,10,000	(Loss)	3,00,000
Sundry Creditors	90,000		
Income tax provision	1,00,000		
Total	22,50,000	Total	22,50,000

The company went to voluntary Liquidation on 1st April 2025. The preference dividend were in arrears for two years which is payable on Liquidation.

The assets realized as follows:

Land and Building ₹7,20,000, Plant and Machinery ₹5,40,000, stock ₹2,10,000 and Debtors ₹1,80,000. The expenses of Liquidation ₹24,000, the liquidator is entitled to a commission at 2% on all assets realised (other than cash) and 3% on amount paid to unsecured creditors (other than preferential creditors).

Accounts payment was made on 30th September 2025.

Prepare Liquidators Final Statement Account.

Q13) The Balance Sheet of H Ltd., and S Ltd., on 31 March 2024 were as under

Liabilities	**H Ltd.,(₹)**	**S Ltd.,(₹)**
Equity shares of ₹ 100 each	40,00,000	10,00,000
General Reserves (01.04.2024)	6,00,000	2,00,000
P&L A/c (01.04.2024)	8,00,000	4,00,000
Profit for 2024-25	10,00,000	5,00,000
Creditors	10,00,000	6,00,000
Bills Payable	3,00,000	--
	77,00,000	**27,00,000**
Assets	**H Ltd.,(₹)**	**SLtd.,(₹)**
Land and Buildings	12,00,000	2,00,000
Plant and Machinery	24,00,000	2,00,000
Stock	16,00,000	13,00,000
Sundry debtors	10,00,000	6,00,000
Cash and Bank Balances	2,00,000	2,00,000
6000 shares in "S" Ltd.,	13,00,000	-
Bills Receivable	--	2,00,000
	77,00,000	**27,00,000**

Other information:

a. Shares were acquired by H Ltd., on 01.10.2024.
b. Bills receivable by 'S' Ltd., are accepted by 'H' Ltd.,
c. Debtors of'S' Ltd., 1,20,000 owning by 'H' Ltd.,

Prepare consolidated balance sheet of 'H' Ltd., and it's subsidiary 'S' Ltd.,

Q14) Distinguish between amalgamation in the nature of merger and amalgamation in the nature of purchase.

Q15) Discuss the important provisions relating to final accounts of banking companies.

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