

Adjustments:

1. Claims covered under reinsurance	Rs. 10,000
2. Further claims intimated	Rs. 8,000
3. Further bonus in reduction of premium	Rs. 1,500
4. Interest accrued	Rs. 15,400

31. What are the different sources and methods of Redemption of debentures?

(2 × 15 = 30 Marks)

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(Pages: 3)

Name:

Reg. No:

THIRD SEMESTER B.Com. PROFESSIONAL DEGREE EXAMINATION, NOV. 2025

(CUCBCSS-UG)

CC17UBCP3B09 – CORPORATE ACCOUNTING

(B.Com. Professional – Core Course)

(2017 to 2023 Admissions – Supplementary/Improvement)

Time: Three Hours

Maximum: 80 Marks

PART- A

Answer *all* questions. Each question carries 1 mark.

Choose the correct answer:

1. A Company typically engage in buy back when they have
(a) Excess cash (b) Inadequate cash (c) Inadequate reserve (d) None of these
2. Buy back of shares should not exceed ----- percent of paid up capital and free reserves of the company
(a) 50 % (b) 10 % (c) 5 % (d) 25%
3. Balance of security deposit from electricity consumers
(a) is written off (b) is shown as current liability
(c) is shown as non-current liability (d) is shown as current assets
4. CRR used for -----
(a) For writing off capital losses (b) For issuing partly paid-up bonus shares
(c) For issuing fully paid-up bonus shares (d) For issuing debentures
5. The accounting concept that is principally used to classify leases in to operating and finance is -----
(a) Substance over form (b) Prudence
(c) Neutrality (d) Completeness

Fill in the blanks:

6. Loss on issue of Debenture account is a ----- asset
7. On standard assets, a minimum provision of ----- percentage is required.
8. The way of presenting balance sheet in two parts is known as -----
9. ----- is a device of reducing the risk undertaken by an insurance company
10. As per SEBI guidelines right issues should not kept open for more than -----

(10 × 1 = 10 Marks)

Part B

Answer any **eight** questions. Each question carries 2 marks.

11. What do you mean by clear profit of an electricity company?
12. Differentiate between Bonus shares and Right shares.
13. What is meant by Non-Controlling Interest?
14. What is capital redemption reserve account?
15. Define double account system.
16. A company offers to its shareholders the right to buy two shares at ₹125 for every five shares of ₹100 each held. The market value of the share is ₹175 each. The existing equity share capital of the company is ₹20 lakhs. Calculate the value of Right.
17. What is Slip system?
18. What is open market purchase of redemption of debentures?
19. Azad company Ltd issued 5000 8% debentures of Rs 100 each redeemable at a premium of 5%. Pass entries in the books for issue and redemption of debentures.
20. Distinguish between general insurance and Life Insurance.

(8 × 2 = 16 Marks)

Part C

Answer any **six** questions. Each question carries 4 marks.

21. Calculate Rebate on bill discounted on 31-12-2017.

Discounted on	Amount	Term (Months)
23/12/2021	80,000	3
19/09/2021	1,50,000	4
20/10/2021	4,40,000	3
31/11/2021	50,000	5

22. A company with an issued and subscribed capital of Rs. 10,00,000 in 1,00,000 shares face value 10 each of which Rs 8 per share paid up, has accumulated a Reserve of Rs. 3,00,000. Out of this Reserve Rs. 2,00,000 is intended to be utilized in declaring a bonus at the rate of 25% on the paid up capital so that the shares may become fully paid. Show the necessary journal entries.
23. The following balances have been extracted from the books of an electricity company at the end of accounting year
 Capital base – Rs. 1,75,00,000
 Reasonable Return – Rs. 23,38,500
 The company earned a profit of Rs. 35, 00,000 after tax.
 Assume the bank rate is 8 %. Show how you deal with the profits of the company.

24. A company has 20,000 9 % redeemable preference shares of Rs. 100 each fully paid. The company decides to redeem the shares at par. For the purpose it issue 15,000 equity shares at Rs. 10 each and the balance is made available from the accumulated profit. The issue was fully subscribed and all the amounts were received. The redemption was duly carried out. Give journal entries.
25. How will you compute goodwill or capital reserve on consolidation?
26. State the different sources of buy back of shares.
27. Give briefly the object and scope of Ind AS-17
28. Distinguish between double Account System and Single Account System.

(6 × 4 = 24 Marks)

PART D (Essay Questions)

Answer any **two** questions. Each question carries 15 marks.

29. What is a reasonable return in the Accounts of Electric Supply companies in India? Explain provisions of reasonable return and disposal of surplus of Electric Supply Co.
30. Prepare revenue Account and Balance sheet of Bharath Assurance company? Life fund as on 1st April 2015 Rs. 15,70,562

Claims by death	Rs. 1,16,980
Claims by maturity	Rs. 96,420
Premium	Rs. 2,70,572
Management expenses	Rs. 29,890
Commission	Rs. 36,541
Consideration for annuities granted	Rs. 10,620
Interest, dividend, rent etc.	Rs. 52,461
Income tax	Rs. 3,060
Surrenders	Rs. 21,768
Annuities	Rs. 29,420
Bonus paid in cash	Rs. 9,450
Bonus in reduction of premium	Rs. 3,500
Preliminary expenses	Rs. 600
Claims admitted but not paid at the end of the year	Rs. 80,034
Annuities due but not paid	Rs. 22,380
Paid up capital	Rs. 6,00,000
Government securities	Rs. 16,90,890
Assets	Rs. 5,68,110

(3)

Turn Over