

## THIRD SEMESTER UG DEGREE EXAMINATION, NOVEMBER 2025

(FYUGP)

## CC24UCOP3CJ202 - CORPORATE ACCOUNTING

(B.Com. Professional - Major Course)

(2024 Admission - Regular)

Time: 2.0 Hours

Maximum: 70 Marks

Credit: 4

**Part A (Short answer questions)**Answer ***all*** questions. Each question carries 3 marks.

1. Classify debentures on the basis of transferability. Give their meaning also. [Level:2] [CO1]
2. What are cumulative and non- cumulative preference shares? [Level:2] [CO1]
3. Star Ltd. issued 5,000 shares of ₹ 100 each at a premium of ₹ 5 per share. The amount was payable ₹ 30 on application, ₹ 50 on allotment (including premium), and the balance on the first & final call. Pass necessary journal entries. [Level:3] [CO1]
4. Give any three differences between bonus shares and right shares. [Level:2] [CO2]
5. A Ltd wants to redeem its 20,000, 12% redeemable preference shares of ₹ 10 each at par. For this purpose, the company issued 2,000 equity shares of ₹ 100 each at par. Give journal entries for redemption. [Level:3] [CO2]
6. A Limited company acquires 80% shares of Y Ltd at a valuation of ₹ 13,00,000 (excluding control premium) by payment in cash of ₹ 12,00,000. Compute the value of Non-Controlling Interest. [Level:3] [CO3]
7. A company offers to its shareholders the right to buy one share of ₹ 100 at a price of ₹ 150 for every 3 shares of ₹ 100 each held. The market value of the shares is ₹ 200. Find the value of the right. [Level:3] [CO2]
8. In respect of following information, compute the unsecured portion of loan, if as on 31-03- 2026, the loan outstanding is categorized as doubtful:

Term loan: ₹ 90,00,000

DICGC: 40% (Maximum limit ₹ 20,00,000)

Securities held: ₹ 42,00,000 (realisable value ₹ 25,00,000)

9. Calculate the amount due to policyholders

[Level:3] [CO4]

Net profit: ₹ 4,20,000

Interim bonus paid: ₹ 1,00,000

Dividend paid to the shareholders: ₹ 50,000

Surplus as per valuation balance sheet: ₹ 4,00,000

10. What is a premium? How is it different from a claim?

[Level:2] [CO4]

**(Ceiling: 24 Marks)**

**Part B (Paragraph questions/Problem)**

Answer ***all*** questions. Each question carries 6 marks.

11. Cronic Ltd. issued 10,000 equity shares of ₹ 10 each payable at ₹ 2.50 on application, ₹ 3 [Level:3] [CO1] on allotment, ₹ 2 on first call, and the balance of ₹ 2.50 on the final call. All the shares were fully subscribed and paid except for a shareholder having 100 shares who could not pay for the final call. Give journal entries to record those transactions.

12. What is a bank? Explain the special features of bank accounting.

[Level:2] [CO4]

13. A Company has accumulated large profits in the reserve account, and the Board of Directors decides to utilise a part of this reserve to make the capital properly representative of the financial position. The paid-up share capital of the company is ₹ 8,00,000, consisting of 50,000 equity shares of ₹ 10 each, fully paid, and 50,000 equity shares of ₹ 10 each, ₹ 6 per share paid up. The directors decide to issue one fully paid-up bonus share at a premium of ₹ 5 for every fully paid share held and to make the partly paid shares fully paid. At the date of allotment of the bonus shares, the Market value of the above equity shares stands at ₹ 24. Journalise the above.

14. What do you mean by redemption of preference shares? What are the sources of redemption of preference shares?

[Level:2] [CO2]

15. What are consolidated financial statements? What are the circumstances in which a parent company is exempted from preparing consolidated financial statements?

16. Explain:

[Level:2] [CO3]

(a) Post- acquisition profit.

(b) Non- Controlling Interest.

(c) Gain from bargain purchase.

17. From the following information, find out the discount to be credited to Profit and Loss account. [Level:3] [CO4]

Rebate on Bills Discounted A/C (01-04-2025)	32,480	
Discount Received	1,08,000	
An analysis of the bills discounted shows the following:		
Amount of bill	Rate of discount per annum	Due date (Including grace days)
73,000	12%	June 14, 2026
1,46,000	11%	July 19, 2026
4,38,000	10%	August 10, 2026
Pass the necessary journal entries for the unexpired discount as on 31-03-2026.		

18. Given below are the details of interest on advances of a commercial bank for the year ended 31.3.2025. [Level:3] [CO4]

	Performing assets		Non-performing assets	
	Interest earned (₹)	Interest received (₹)	Interest earned (₹)	Interest received (₹)
Term loans	10,000	7,000	5,000	1,000
Cash credits	26,000	20,000	7,000	5,000
Overdrafts	35,000	33,000	3,000	1,700
Bills purchased & discounted	18,000	17,000	10,000	3,000

Find out the income to be recognised for the year ending.

(Ceiling: 36 Marks)

### Part C (Essay questions)

Answer any **one** question. The question carries 10 marks.

19. A limited company invited applications for 1,00,000 equity shares of ₹10 each payable as [Level:3] [CO1] under:

On application	₹ 2 per share
On allotment	₹ 3 per share
On first call	₹ 2 per share
On final call	₹ 3 per share

(3)

Turn Over

Applications were received for 2,00,000 shares on 01/01/2024 and allotment was made on 01/02/2024. The Directors decide to make a pro rata allotment of 50% of shares applied for by every applicant and to apply the balance of application money towards amount due on allotment and to refund the amount remaining thereafter. Pass necessary journal entries.

20. Chand Ltd purchased 16000 shares of ₹ 10 each of Ind Ltd on 31st March 2025. The [Level:3] [CO3] following are the balance Sheets of both companies.

Particulars	Note No.	Chand Ltd ₹	Ind Ltd ₹
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment		6,50,000	2,05,000
Investment in Ind Ltd		2,20,000	
<b>Current Assets</b>			
Inventory		60,000	80,000
Trade receivables		40,000	1,00,000
	Total	<b>9,70,000</b>	<b>3,85,000</b>
<b>Equity and Liabilities</b>			
Equity capital (of ₹ 10 each)		5,00,000	2,00,000
Other Equity		2,00,000	50,000
<b>Non-Current Liabilities</b>			
6% Debentures		1,00,000	
<b>Current Liabilities</b>			
Trade Payables		1,70,000	1,35,000
	Total	<b>9,70,000</b>	<b>3,85,000</b>

Prepare Consolidated Balance Sheet.

(1 × 10 = 10 Marks)

\*\*\*\*\*