

Reg. No. :

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B.Com. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2025.

Third Semester

Commerce/Corporate Secretaryship/Professional
Accounting/Banking and Finance/Banking and
E-Commerce — Core

CORPORATE ACCOUNTING — I

(For those who joined in July 2023 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. The difference between subscribed capital and called-up capital is called _____
(a) paid-up capital (b) uncalled capital
(c) calls-in arrears (d) calls-in-advance

2. The amount received over and above the face value of shares is called _____
 (a) share capital (b) share premium
 (c) share discount (d) profits
3. Transfer to capital redemption reserve a/c can be made from _____
 (a) general reserve (b) share premium a/c
 (c) capital reserve (d) capital profit
4. Dividends can be paid only out of _____
 (a) pre-incorporation profit
 (b) share premium
 (c) current year's profit
 (d) capital redemption reserve
5. Section 71 of the Companies Act, 2013 prohibits issue of debentures carrying
 (a) differential voting rights
 (b) voting rights
 (c) both (a) and (b)
 (d) none of the above

6. Companies act 2013 is an amendment to the companies act _____
 (a) 1947 (b) 1990
 (c) 1956 (d) 1979
7. In order to compute goodwill of a firm on the basis of super profit it is necessary to know _____
 (a) average profit and normal profit
 (b) average profit and actual profit
 (c) actual profit and capital employed
 (d) normal profit and normal rate
8. Intrinsic value of share is calculated by dividing the _____ of the company by the number of shares.
 (a) total assets (b) net assets
 (c) assets (d) face value
9. Accounting standard for fixed assets _____
 (a) AS 6 (b) AS 10
 (c) AS 3 (d) AS 2

10. Which accounting standard relates with the accounting for construction contract?

- (a) Accounting Standard 5
- (b) Accounting Standard 6
- (c) Accounting Standard 7
- (d) Accounting Standard 8

PART B — (5 × 5 = 25 marks)

Answer ALL questions by choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) A company forfeited 500 shares of Rs. 10 each (issued at a premium of 10%) for non payment of the first call Rs. 3 and final call Rs. 2 of these 200 shares were re-issued at a discount of 10%.

Pass necessary journal entries in the books of the company.

Or

- (b) X Ltd issued 1000, 12% debentures of Rs. 100 each. Give journal entries if the debentures are

- (i) Issued at par
- (ii) Issued at a discount of 10%
- (iii) Issued at a premium of 10%

Page 4 Code No. : 31035 E

12. (a) Journalise the following transactions at the time of issue of debentures and redemption of debenture.

- (i) Debenture issued at Rs. 95, repayable at Rs. 100
- (ii) Debenture issued at Rs. 95, repayable at Rs. 105
- (iii) Debenture issued at Rs. 105, repayable at Rs. 100

The face value of each debentures Rs. 100.

Or

- (b) In 2017 X ltd., redeemed Rs. 1,00,000 preference shares by converting them into equity shares issued at 25% premium. What entries can be made for the redemption by the company?

13. (a) What do you known about proposed dividend?

Or

- (b) Define interim dividend.

Page 5 Code No. : 31035 E

14. (a) Describe the factors that affect the valuation of goodwill.

Or

- (b) B Ltd, has 10,000 equity shares of Rs. 10 each (Rs. 8 paid up) and Rs. 1,00,000, 6% preference shares of Rs. 10 each fully paid. The company has a practice of transferring 20% of the profit to general reserve every year. If the expected profit before tax is Rs. 2,00,000 and the rate of tax is 50%
Calculate the value per equity share.
(Normal rate of dividend is 20%)

15. (a) Define Accounting Standard.

Or

- (b) Write note on :
(i) Accounting standard 10
(ii) Accounting standard 29

Page 6 Code No. : 31035 E

PART C — (5 × 8 = 40 marks)

Answer ALL questions by choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Kalyan Kumar Co. Ltd was formed with a capital of Rs. 10,00,000 in Rs. 10 shares the whole amount being issued to the public. The underwriting of these shares was as follows :

	Rs.
A	35,000
B	30,000
C	20,000
D	10,000
E	3,000
F	2,000

All the marked application forms were to go in relief of the underwriters whose stamp they bear. The application forms marked by the underwriters were :

Page 7 Code No. : 31035 E

	Rs.
A	10,000
B	22,500
C	20,000
D	7,500
E	5,000
F	Nil

Applications for 20,000 shares were received on forms not marked. Draw up a statement showing the number of shares each underwriter had to take up.

Or

- (b) What are the conditions for issue of shares at a discount? For what purposes the share premium amount can be used?
17. (a) Give journal entries for the following :
- Issue of Rs. 5,00,000, 11% debentures at par and redeemable at par
 - Issue of Rs. 5,00,000, 11% debentures at premium 5% and redeemable at par

- Issue of Rs. 5,00,000, 11% debentures at discount of 5% and redeemable at a premium 5%
- Issue of Rs. 5,00,000, 11% debentures at par but repayable at 5% premium.

Or

- (b) What entries can be made for the following redemption made by the company?
- In 2023 X Ltd., redeemed Rs. 1,00,000 preference shares by converting them into equity shares issued at 25% premium
 - In 2024 X Ltd., redeemed Rs. 95,000 preference shares by converting them into equity shares issued at 5% discount
 - In 2025 X Ltd., redeemed Rs. 10,000 preference shares of Rs. 10 each at premium of Rs. 1.25 per share by converting into equity shares of Rs. 10 each issued at 10% discount
18. (a) What are the perquisites included in calculating managerial remuneration?

Or

- (b) Give a specimen form of companies profit and loss a/c according to the companies act 2013.

19. (a) The net profit for the five years are :

Rs.

2011	10,000
2012	15,000
2013	15,000
2014	20,000
2015	30,000

The capital employed in the business is Rs. 1,50,000 and normal rate of return is 10% calculate the value of goodwill on the basis of 4 years purchase of super profit.

Or

- (b) What are the factors determining the valuation of shares?
20. (a) Explain the features of International Accounting Standards.

Or

- (b) List out any eight Accounting Standards.