



NP – 358

31  
III Semester B.Com. Examination, February/March 2024  
(NEP) (F+R)

TOURISM AND TRAVEL MANAGEMENT B.COM TTM

Paper – 3.1 : Corporate Accounting

Time : 2½ Hours

Max. Marks : 60

**Instruction :** Answer to be written in **English** only.

SECTION – A

Answer **any six** sub-questions. **Each** sub-question carries **two** marks. (6×2=12)

1. a) Give the meaning of authorised capital.
- b) What is book building ?
- c) What is firm underwriting ?
- d) What do you mean by super profit ?
- e) What do you mean by IPR ?
- f) Mention any two methods of valuation of shares.
- g) What do you mean by right issue ?
- h) What is FPO ?



SECTION – B

Answer **any three** questions. **Each** question carries **four** marks. (3×4=12)

2. Soundarya Cosmetics Limited with a nominal capital of 10,000 shares of ₹ 100/- each, issued 5000 preference shares for public subscription. The share value was payable as follows :

₹ 20 on application

₹ 50 on allotment

₹ 30 on final call

All the shares were subscribed and the amount dully received except the call money on 400 shares. Give Journal Entries.

P.T.O.



3. The company issued 1,00,000 equity shares of ₹ 10 each. 60% of the issue was underwritten by Vinutha and Pruthvi in the ratio of 3 : 2. Applications for 80,000 shares were received out of which the marked applications were Vinutha 25,000 share and Pruthvi 12,000 shares. Determine the liability of underwriters.
4. Bharat Ltd. showed the following trading results  
2020-21 – 50,000  
2021-22 – 60,000  
2022-23 – 75,000
- During the year 2021-22 the closing stock was undervalued by ₹ 5,000. Calculate the value of goodwill at 3 years purchase of average profits, calculate using weighted average profit method.
5. From the following particulars, Calculate the value of equity share under yield method.
- a) 5,000, 9% preference shares of ₹ 100 each
  - b) 1,25,000 equity shares of ₹ 10 each. ₹ 8 per share paid up
  - c) Expected profits before tax ₹ 5,45,000. Rate of taxation 40%.
  - d) Transfer to general reserve 20% profits every year.
  - e) Normal rate of earning for this type of business is 15%.
6. Under which heading would you show the following in company final accounts ?
- a) Securities premium
  - b) Unpaid dividends
  - c) Debenture interest
  - d) Contribution to provident fund
  - e) Patents
  - f) Raw materials
  - g) Loose tools
  - h) Computer software.

### SECTION – C

Answer **any three** questions. **Each** question carries **twelve** marks.

**(3×12=36)**

7. A limited company invited the public to subscribe to its 10,000 equity shares of ₹ 100 each at a premium of ₹ 10 per share, payable on allotment. Payments were to be made as follows :
- On application ₹ 20 per share
  - On allotment ₹ 40 per share (including premium)



On first call ₹ 30 per share

On second and final call ₹ 20 per share

Applications were received for 13,000 shares. Applications for 2,000 shares were rejected and allotments was made proportionately to the remaining applications (total shares allotted were 10,000). Both the calls were made and money duly received except the final call on 300 shares. The shares were forfeited after due notice. Later, 200 of the forfeited shares were re-issued as fully paid up at ₹ 85 per share.

Pass the necessary Journal Entries.

8. Sagar Ltd. issued 2,50,000 shares of ₹ 10 each which was underwritten as follows :

A – 75,000 shares (firm underwriting 8,000 shares)

B – 62,500 shares (firm underwriting 12,000 shares)

C – 62,500 shares (firm underwriting nil)

D – 50,000 shares (firm underwriting 30,000 shares)

The total applications excluding firm underwriting but including marked applications were 1,80,000 shares.

Marked applications were :

A : 40,000    B : 36,000    C : 24,000    D : 48,000

Calculate the liability :

a) Firm underwriting as marked application.

b) Firm underwriting as unmarked application.

9. The Balance Sheet of Kirn Trading Co. Ltd. is as follows as on 31-12-2023.

Liabilities	₹	Assets	₹
Share capital	5,00,000	F. Assets	4,00,000
General reserve	2,00,000	6% investments	1,00,000
P/L A/c	1,00,000	C. Assets	4,00,000
C. liabilities	1,00,000		
	<b>9,00,000</b>		<b>9,00,000</b>

Net profit after taxation 2021- ₹ 1,30,000. 2022 – ₹ 1,50,000, 2023 – ₹ 1,25,000.

Normal rate of return 15%. The current assets are to be taken at ₹ 4,20,000.

Ascertain the goodwill under :

a) 4 years purchase of super profits

b) Capitalisation of super profits

c) Annuity of super profits taking.

The present value of annuity of ₹ 1 for five years at 15% as Rs. 3.12.





10. Following particulars of A Ltd. are available :

- 1,00,000 equity shares of ₹ 10 each fully paid.
- 10,000, 12% preference shares of ₹ 100 each fully paid.
- Reserve and surplus – ₹ 1,50,000.
- Current liabilities – ₹ 1,80,000.
- The past profits earned each year by the company on an average amounted to ₹ 2,85,000, which includes a non-recurring income of ₹ 8,000.

Normal rate of return in such type of business is 10%.

Calculate the fair value of each equity share.

11. From the following prepare the final accounts of Giresh Trading Company Ltd. for the year ended 31-3-2023. with the help of the following adjustments and trial balance.

- a) Closing stock was valued at ₹ 1,91,500.
- b) Depreciation on plant and machinery at 15% and on Furniture at 10% should be provided.
- c) A tax provision of ₹ 8,000 considered necessary.
- d) Directors proposed dividend of 6%.

	₹		₹
Opening stock	50,000	Sales	3,25,000
Furniture	17,100	Discount	3,150
Calls in arrears	5,000	P&L A/c	6,220
Plant/Machinery	1,80,500	Creditors	35,200
Purchases	2,00,000	Reserve fund	25,000
Discount	4,200	Loan from directors	15,700
Insurance (upto 30-6-22)	6,720	Share capital	2,50,000
Salaries	24,500		
Bonus	14,300		
Wages	70,000		
Debtors	38,700		
Printing and stationery	11,350		
Bank balance	34,700		
Bad debts	3,200		
	<b>6,60,270</b>		<b>6,60,270</b>