

**57513**

**B.B.A. 2nd Semester  
(N.S.) 2014-17**

**Examination-May, 2015**

**Company Accounts**

**Paper-BBAN-203**

**Time : 3 hours**

**Max. Marks : 80**

Before answering the questions, candidates should ensure that they have been supplied the correct and complete question paper. No complaint in this regard will be entertained after the examination.

**Note :** Attempt five questions in all. Section-A is **compulsory** and attempt four other questions from Section-B selecting **one** from each unit. All questions carry equal marks.

**Section-A**

1. Short answer questions : [2×8=16]  
(a) Give two differences between equity share and preference share.

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(1)

[ Turn Over

- (b) What is purchase consideration ?  
(c) What are different types of debentures ?  
(d) Give the meaning of underwriting of shares.  
(e) Name four current assets shown in the balance sheet.  
(f) What are the ways of liquidation of a company ?  
(g) Define the term "Goodwill" ?  
(h) Give the formula for calculation of value of shares under Dividend Yield Method.

**Section-B**

**Unit-I**

2. What is meant by buy-back of shares ? State the conditions of buy-back and the guidelines issued by SEBI in this regard. [16]  
3. Mohan Spinning Mills Ltd. invited applications for 10,000 shares of Rs. 100 each at a premium of Rs. 10 each payable as below :  
Rs. 50 on application  
Rs. 35 on allotment (including premium) and  
Rs. 25 on call

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(2)

Applications for 15,000 shares were received. Applicants for 2500 shares did not get any allotment and their money was returned. Allotment was made pro-rata to the remaining applicants.

Mr. A was allotted 400 shares. He failed to pay the amount due on allotment and call money. The company forfeited his shares and subsequently re-issued at Rs. 105 per share. Show the Journal and Cash Book entries in the books of the company. [16]

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#### Unit-II

4. Explain briefly issue of debentures at par, at discount and at premium. Taking imaginary examples pass necessary Journal entries in all cases. [16]
5. Abhimanyu Paper Ltd. issued 20,000 equity shares of Rs. 10 each at 5% premium. The issue was underwritten by 'A' 75% and 'B' 25%. The public applied for 16,000 shares which included marked applications of 'A' 7500 shares and 'B' 1500 shares. It was agreed that underwriters be paid commission at 2% on issue price. Determine the liability of A and B and give necessary Journal entries in the books of the company. [16]

#### Unit-III

6. Distinguish between Profit and Loss A/c and Profit and Loss Appropriation A/c. Prepare P & L Appropriation A/c with the help of imaginary figures. [16]
7. Write notes on the following : [8+8]
  - (a) AS-4 and AS-17
  - (b) Preferential creditors

#### Unit-IV

8. From the figures given below, calculate goodwill according to the capitalization method : [16]
  - (a) Actual average profit Rs. 50,000
  - (b) Normal rate of return 10%
  - (c) Average capital employed Rs. 4,00,000
9. What are non-performing assets ? How is the income accrued in respect of non-performing assets dealt with by the banks ? Explain. [16]