

Roll No.....

BBA –2014  
CORPORATE ACCOUNTING  
Paper Code (BBA-204)  
Paper Id. [C0243]

Time : 3 Hrs

Maximum Marks: 60

***INSTRUCTIONS:***

- ***Section –A is compulsory***
- ***Attempt any 1 question from each unit of section –B***

***SECTION-A (10x2=20)***

*Ques.1*

- I. What is forfeiture of shares?
- II. Difference between discount on issue of shares according to sec. 79 & discount on reissue of forfeited shares.
- III. What are maximum limits of managerial Remuneration if profits re inadequate?
- IV. What is effective capital?
- V. What is an escrow account ?
- VI. What is payment of interest out of capital?
- VII. What is Net Asset method of calculating purchase consideration?
- VIII. What is cat goodwill?
- IX. Who are stock brokers?
- X. Who are merchant bankers?

***SECTION-B (4x10=40)***  
***UNIT-I***

*Ques.2* What is profit prior to incorporation ? How it is calculated & treated?

***OR***

**Ques.3** Zens Ltd., gave notice of its intention to redeem its outstanding ₹ 6,00,000 9% Debentures at ₹ 102 per cent and offered the holders the following options to apply for this redemption money to subscribe for :

- (a) Preference Shares of ₹ 20 each at ₹ 22.50 per share and
- (b) 10% Debentures at ₹ 96.

The holders of ₹ 2,40,000 debentures accepted the proposal (a) and ₹ 1,80,000 debenture holders accepted the proposal (b) above.

Pass the necessary Journal Entries to give effect to the above mentioned transactions.

## UNIT-II

**Ques.4.** How will you calculate profits for the purpose of calculation of managerial remuneration according to Sec 349?

**OR**

**Ques.5** . A Company issued 50,00,000 equity shares of ₹ 10 each, ₹ 8 paid up. It passed the following resolutions :

- (a) that profit be used in making the partly paid-up shares fully paid.
- (b) that further 25,00,000 fully paid up equity shares to be issued as bonus shares.

Following balances are appearing in the books :

Securities Premium Reserve ₹ 1,00,00,000 ; General Reserve ₹ 50,00,000 ; Surplus A/c ₹ 3,50,00,000.

You are required to give Journal entries for recording the above transactions.

## UNIT-III

**Ques6.** Explain the following:

- Minority interest
- Pre-acquisitions profit
- Post- acquisitions profit
- Cost of control

**OR**