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(21216) Roll No. ....  
**B.B.A.-III Sem.**

**18053**

**B.B.A. Examination, Dec.- 2016**

**COMPANY ACCOUNTS**

**(BBA-305)**

**(New)**

*Time : Three Hours ] [Maximum Marks : 75*

**Note :** Attempt all the Sections as per instructions.

**Section-A**

**(Very Short Answer Questions)**

**Note :** Attempt all the five questions. Each question carries 3 marks. Very short answer is required not exceeding 75 words.

$3 \times 5 = 15$

**P.T.O.**

1. What is difference between Preference Shares and Debentures?
2. What is minority interest? How will you calculate?
3. Explain managerial remuneration.
4. Explain voluntary winding up of a Joint stock company.
5. Explain subsidiary company.

**Section-B**

**(Short Answer Questions)**

**Note :** Attempt any two questions out of the following three questions. Each question carries  $7\frac{1}{2}$  marks. Short answer is required not exceeding 200 words.

$7\frac{1}{2} \times 2 = 15$

6. Explain the provisions regarding redemption of preference shares.

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7. Explain the different types of liquidation of Joint stock companies.

8. The Balance Sheet of K.G. Publication Ltd. as on 31st March 2015 was as follows :

Liabilities	Amount ₹	Assets	Amount ₹
10,000 Equity Shares of ₹10 each fully paid	1,00,000	Freehold property	40,000
60,000 12% Redeemable Pref shares of ₹ 1 each fully paid	60,000	Less	8000
Sinking Fund for Preference Shares Redemption	25,000	Depreciation	32,000
Profit & Loss Account	55,400	Sinking fund	25,000
Sundry Creditors	12,500	Investments	
	2,52,900	Debtors	80,000
		Stock	84,000
		Cash at Bank	31,900
			2,52,900

The directors have given notice to the holders of Preference Shares to redeem the preference shares at a premium of 5%. To provide funds for redemption the following steps were taken :

- (i) The freehold property was sold for ₹ 45,000.
- (ii) The sinking fund investments were sold for ₹ 23,750.

You are required to record the above transactions.

**Section-C**

**(Detailed Answer Questions)**

**Note :** Attempt any **three** questions out of the following **five** questions. Each question carries 15 marks. Answer is required in detail. 15×3=45

9. A limited company issued a prospectus inviting applications for 20,000 shares of ₹ 10 each at a premium of ₹ 2 per share payable as follows :

On application ₹2, on allotment ₹ 5 (Including premium), on first call ₹ 3 and on final call ₹ 2.

Applications were received for 30,000 shares and allotment was made pro-rata to the applicants for 24,000 shares, the remaining applicants being refused. Money overpaid on applications were adjusted on sums due on allotment.

Ramesh to whom 400 shares were allotted, failed to pay the allotment money and on his subsequent failure to pay the first call, his shares were forfeited. Mohan the holder of

600 shares failed to pay the two calls and his shares were forfeited after the second call. Out of shares forfeited 800 shares were re-issued to Krishna @ ₹ 9 per share fully paid, the whole of Ramesh's shares being included.

Show Journal entries and Cash Book.

10. Explain debenture redemption fund method for redemption of debentures and pass journal entries for this method.
11. How will you calculate purchase consideration as per Accounting Standard-14? Give journal entries in the books of transferor company in case of amalgamation.
12. Senior Ltd. acquired 4,000 shares in Junior Ltd. on 1st Oct., 2014 for ₹ 80,000. Their Balance Sheets on 31st March, 2015 were

as given below :

Liabilities	Senior Ltd.	Junior Ltd.	Assets	Senior Ltd.	Junior Ltd.
	₹	₹		₹	₹
Share capital (Shares of Rs. 10 each)	1,00,000	50,000	Sundry Assets	1,45,000	1,20,000
General Reserve	40,000	30,000	Investment (Shares of junior Ltd.)	80,000	
Profit & Loss A/c : Balance on 1.4.14	30,000	12,000			
Profit for 2014-2015	40,000	18,000			
Sundry Creditors	15,000	10,000			
	2,25,000	1,20,000		2,25,000	1,20,000

Prepare a Consolidated Balance Sheet.

13. What is inter company transactions in case of holding and subsidiary company? Explain necessary adjustments in consolidated Balance Sheet of holding company and its subsidiary company regarding it.

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