

SREE CHAITANYA MAHAVIDIAYLAYA

Internal Assessment-2021-22

**B.Com. General
Corporate Accounting
Paper-2A : Semester-5
Subject Code: FACGDSEO2T**

FULL MARKS: 20

TIME:1 Hour

Group-A

1. Answer the following questions: 10 x 1

- (a) Partly paid shares can be made fully paid by capitalizing
 - (i) Securities Premium
 - (ii) General Reserve
 - (iii) Capital Redemption Reserve
 - (iv) All of the above
- (b) Buy back of equity shares is permissible to the limit of _____ in a year.
 - (i) 35%.
 - (ii) 25%
 - (iii) 15%.
 - (iv) 45%.
- (c) The post buy back debt–equity ratio should not exceed _____
 - (i) 2 : 1
 - (ii) 1 : 2
 - (iii) 3 : 1
 - (iv) 1 : 1
- (d) Debentures may be redeemed out of
 - (i) Capital
 - (ii) Profit
 - (iii) Conversion into shares
 - (iv) All of the above
- (e) At the time of liquidation of company, the liquidator has to file a statement of receipt and payment is known as
 - (i) Statement of Affairs
 - (ii) Liquidator Report
 - (iii) Liquidator Final Statement of Account
 - (iv) Liquidator Final Receipt and Payment Account
- (f) Capital Reduction must be authorized by its
 - (i) Articles of Association
 - (ii) Memorandum of Association
 - (iii) Certificate of incorporation
 - (iv) All of the above
- (g) Minority interest is shown in the Consolidated Balance Sheet
 - (i) Under Share Capital
 - (ii) Under Reserve and Surplus
 - (iii) As a separate item
 - (iv) None of the above

- (h) Degree of control depends upon holding of:
 - (i) Both Equity shares and Preference shares
 - (ii) Equity Shares only
 - (iii) Both Preference Shares and Debentures
 - (iv) Preference Shares only
- (i) According to Companies Act 2013, provision regarding redemption of preference shares is made
 - (i) Under section 65
 - (ii) Under section 75
 - (iii) Under section 55
 - (iv) Under section 45
- (j) Redeemable Preference Shares can be redeemed out of:
 - (i) The sale of proceeds of Investments
 - (ii) The proceeds of a fresh issue of shares
 - (iii) Both (i) and (ii)
 - (iv) None of the above

Group-B
(Answer any two questions)

2 x 5

2. Weak Ltd. is absorbed by Strong Ltd. on the following conditions:
 - (a) the consideration being the takeover of liabilities;
 - (b) the payment of cost of absorption not exceeding Rs. 20,000 (actual cost Rs. 17,000);
 - (c) the payment of debentures of Rs. 1,00,000 at a premium of 10% in 9% debentures issued at par;
 - (d) equity shareholders will be discharged by:
 - (i) the payment of Rs. 16 per share in cash
 - (ii) allotment of one 14% preference share of Rs. 10 each and
 - (iii) six equity shares of Rs. 10 each fully paid for every four shares in Weak Ltd.

Calculate purchase consideration as per Accounting Standard-14.
3. From the following information calculate the value of goodwill:
 - (a) Average Capital Employed Rs. 12,00,000.
 - (b) Normal rate of return on capital employed is expected in this type of business is 12%.
 - (c) Net trading profit of the firm (after tax) for the past 3 years: Rs. 2,15,200; Rs. 1,81,400; Rs. 2,25,000

You are required to compute the value of goodwill on the basis of 5 years' purchase of super profits of the business calculated on the average profit of the last three years.
4. Write short notes on the followings (any two):
 - (a) Capital Reduction
 - (b) Minority Interest
 - (c) Pooling of Interest Method
 - (d) Super Profit Method of Valuation of Goodwill

2 x 2½

Send your answer scripts to this e-mail

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