

Third Semester Internal Examination, September 2024
Major 4 Course in Commerce
CORPORATE ACCOUNTING
COM3CJ202

Time: 1 Hr

Max Marks: 35

Name:	Marks Scored	Section A		Total Marks
Class:		Section B		
		Section C		

Section A

(Each question carries 3 marks, Max marks for section – 7)

1. What is the minimum subscription?
2. State different kinds of debentures?
3. How would you treat the issue of shares for consideration other than cash?

Section B

(Each question carries 6 marks, Max marks for section – 18)

4. Describe the procedure of issuing shares
5. What are the differences between reserve capital and capital reserve?
6. What are the differences between call in arrears and calls in advance?
7. M Ltd. issued 15,000, 11% debentures of ₹100 each at a discount of ₹5 per debenture payable as follows:
₹25 on application, ₹35 on allotment, ₹20 on first call and ₹30 on final call.
Applications were received for all the debentures and these debentures were allotted accordingly. All money were duly received. Journalise these transactions in the books of the company.

Section C

(Answer any one question, Each question carries 10 marks)

8. Explain different categories of share capital and distinguish between a) stock and shares, b) equity shares and preference shares.
9. A company issued 10,000 equity shares of ₹10 each at a premium of ₹3 per share payable as follows:
On application ₹ 4 per share
On allotment ₹ 5 per share (including premium)

On first and final call ₹4 per share.

Subscriptions were received for 13,000 shares. The excess money was refunded and the allotment money was received in full. The first and final call was made in due course and the amount due was received with the exception of 100 shares. These shares were forfeited and subsequently re-issued as fully paid for a consideration of ₹8 per share. Show journal entries recording the above transactions.