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G. VENKATASWAMY NAIDU COLLEGE (AUTONOMOUS), KOVILPATTI – 628 502.

UG DEGREE END SEMESTER EXAMINATIONS - APRIL 2025.

(For those admitted in June 2021 and later)

PROGRAMME AND BRANCH: B.COM.

SEM	CATEGORY	COMPONENT	COURSE CODE	COURSE TITLE
V	PART - III	CORE	U21CO510	CORPORATE ACCOUNTING - I

Date & Session: 26.04.2025/AN

Time : 3 hours

Maximum: 75 Marks

Course Outcome	Bloom's K-level	Q. No.	SECTION – A (10 X 1 = 10 Marks) Answer ALL Questions.
CO1	K1	1.	Which of the following methods is NOT used for the valuation of goodwill? a) Average profit method b) Super profit method c) Discounted cash flow method d) Annuity method
CO1	K2	2.	In the case of amalgamation the purchasing company is also known as. a) Transferor company b) Transferee company c) Holding company d) Subsidiary company
CO2	K1	3.	When a company takes over another company and continues its business it is called. a) Amalgamation b) Absorption c) Internal reconstruction d) External reconstruction
CO2	K2	4.	In the case of internal reconstruction the reduction of capital is governed by. a) Partnership Act b) Companies Act c) Income tax Act d) banking regulation Act
CO3	K1	5.	What type of shares are issued to raise funds without increasing the voting rights of shareholders? a) Equity shares b) Preference shares c) Debentures d) Bonus shares
CO3	K2	6.	A debenture holder is a. a) Owner of the company b) Creditor of the company c) Partner of the company d) None of the above
CO4	K1	7.	Profit prior to incorporation is credited to a) Profit and loss account b) Capital reserve c) Revenue reserve d) General reserve
CO4	K2	8.	Which accounting standard governs amalgamation in India? a) AS 9 b) AS 14 c) AS 3 d) AS 2
CO5	K1	9.	Which of the following is NOT a method of redeeming debentures? a) Sinking fund method b) Lottery method c) Call and put option d) Discounting method
CO5	K2	10.	In the case of amalgamation in the nature of merger goodwill is. a) Not recognised b) Amortized over 10 years c) capitalized in books d) Treated as a revenue expenditure
Course Outcome	Bloom's K-level	Qn. No.	SECTION – B (5 X 5 = 25 Marks) Answer ALL Questions choosing either (a) or (b)
CO1	K3	11a.	State the difference between shares and debentures.
CO1	K3	11b.	Explain the different types of shares and debentures.
CO2	K3	12a.	How do you calculate Time ratio and Sales ratio.
CO2	K3	12b.	From the following data calculate profit prior to incorporation. Time ratio 1:2 Sales ratio 1:3 Gross Profit Rs 170500

			Administrative Expenses Rs 69600 Expenses relating to sales Rs 18600 Preliminary expenses Rs 11560
CO3	K4	13a.	Goodwill is to be valued at 3 years purchase of five years average profit. The profits for the last five years of the firm were 1994 – Rs 4800 1995 – Rs 7200 1996 – Rs 10000 1997 – Rs 3000 1998 – Rs 5000 Calculate the amount of Goodwill (OR)
CO3	K4	13b.	Bring out the various factors affecting valuation of Goodwill
CO4	K4	14a.	Describe the purchase consideration and computation of purchase consideration. (OR)
CO4	K4	14b.	Discuss the Difference between Internal Reconstruction and External Reconstruction.
CO5	K5	15a.	Evaluate the Interim Dividend and Interim Bonus. (OR)
CO5	K5	15b.	Assess the Difference between Revenue expenditure and Capital expenditure.

Course Outcome	Bloom's K-level	Qn. No.	SECTION – C (5 X 8 = 40 Marks) Answer <u>ALL</u> Questions choosing either (a) or (b)
CO1	K3	16a.	A ltd invited applications for 10000 shares of Rs 100 each at a Discount of 5% payable as follows On application Rs 25 On allotment Rs 34 On first and final call Rs 36 Applications were received for 9000 shares and all of these were accepted. All money due were received expect first and final call on 100 shares which were forfeited. Of these forfeited shares, 50 shares were reissued Rs 90 as fully paid. Pass journal entries in the books of the company. (OR)
CO1	K3	16b.	State the difference between Over Subscription and Under Subscription.
CO2	K4	17a.	Give an imaginary Profit and Loss Appropriation Account of a limited Company. (OR)
CO2	K4	17b.	Discuss the methods of ascertaining profit prior to incorporation.
CO3	K4	18a.	X limited has an issued capital of Rs 500000 in 50000 shares of Rs 10 each on which Rs 8 per share has been called up. The company now decided to reduce the share capital to share of Rs 8 each fully paid by cancelling the unpaid amount of Rs 2 per share. Pass journal entry. (OR)
CO3	K4	18b.	Discuss the Difference between Amalgamation, Absorption and Internal Reconstruction.
CO4	K5	19a.	How do you apportion various expenses and income between Pre and Post incorporation periods? (OR)
CO4	K5	19b.	A firms earns Rs 120000 as its annual profits the rate of normal profit being 10%.The asset of the firm amount to Rs 1440000 and liabilities Rs 480000. Find out the value of goodwill by capitalisation method.
CO5	K5	20a.	The issued share capital of a company was Rs 1000000 consisting of 10000 equity shares of Rs 100 each. The Net profits for the last five years were Rs 100000, Rs 80000, Rs 120000, Rs 160000 and Rs 140000 of which 20% was placed to reserve, this portion being considered reasonable in the industry in which the company is engaged and where a fair investment return may be taken by at 12% Compute the value of the company share by the Yield value method. (OR)
CO5	K5	20b.	Assess the various methods of valuation of shares.