

**Sessional Examination'23**

**B.com 2<sup>nd</sup> semester**

**Time:45 min**

**Subject: Corporate Accounting**

**Marks:20**

1. Write short a note: 2x3  
a) Right share            b) Bonus Share            c) Internal reconstruction
  
2. Coal India ltd resolved to utilise Rs 300000 out of the General Reserve balance to declare a bonus to shareholders by paying the final call of Rs 3 per share on 100000 equity shares of Rs 10 each. Along with this the company further decided to utilise the balance of the Security Premium Reserve Account of Rs 200000 by issuing fully paid up bonus shares.  
Show journal entries in the books of the company.
  
3. From the following extract of the trial balance of ABC Co. ltd , prepare a statement of profit and loss for the year ended 31<sup>st</sup> of Mar,2022

Debit	Amount	Credit	Amount
Preliminary expenses	7000	12% debentures	300000
Opening stock	110000	Sales	415000
Wages	92100	Bad debts provision on 1-4-21	8500
General expenses	9700	Discount	1000
Salaries	60600	8% bank loan (loan taken on	50000
Bad debts	2110	1-10-21)	
Debenture interest paid	18000	Royalty	2000
Sundry debtors	87000		
Plant	330000		
Direct expenses	22200		
Purchases	120000		

Additional information:

- i) Depreciate plant by 15%
- ii) Create a provision @5% on debtors for doubtful debts
- iii) Stock on 31-03-2022, Rs 120000
- iv) Provide interest on bank loan for 6 months
- v) Amortise the whole amount of preliminary expenses