

Roll No.



**PRESIDENCY  
UNIVERSITY**

**BENGALURU**

**School of Law**

**Mid - Term Examinations - November 2024**

**Semester:** III

**Date:** 05-11-2024

**Course Code:** BCL2011

**Time:** 09.30am to 11.00am

**Course Name:** Corporate Accounting

**Max Marks:** 50

**Program:** B com LLB Hons

**Weightage:** 25%

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**Instructions:**

*(i) Read all questions carefully and answer accordingly.*

*(ii) Do not write anything on the question paper other than roll number.*

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**Part A**

**Answer ALL the Questions. Each question carries 2marks.**

**5Qx2M=10M**

- |          |  |         |               |     |
|----------|--|---------|---------------|-----|
| <b>1</b> | Explain the term of Public Company   | 2 Marks | Remembering   | CO1 |
| <b>2</b> | Elucidate the meaning of forfeiture shares   | 2 Marks | Remembering   | CO1 |
| <b>3</b> | Discuss the meaning of Buyback of shares   | 2 Marks | Remembering   | CO2 |
| <b>4</b> | State the meaning of marked applications   | 2 Marks | Understanding | CO3 |
| <b>5</b> | Applications were received from 3,15,000 shares of which marked applications were:<br>A- 1,54,000 shares<br>B- 77,000 shares<br>C- 63,000 shares<br>D- 7,000 shares<br>Calculate the unmarked applications | 2 Marks | Understanding | CO3 |

**Part B**

**Answer ALL Questions. Each question carries 10 marks.**

**4Qx10M=40M**

- |          |   |          |             |     |
|----------|---|----------|-------------|-----|
| <b>6</b> | Explain the following;<br>a. Authorized capital<br>b. Called up capital | 10 Marks | Remembering | CO1 |
|----------|---|----------|-------------|-----|

- c. Calls in arrears – calls in advance
- d. Forfeiture of shares
- e. Surrender of shares

**Or**

**7** Sanjay Rama Swamy limited was issued for public subscription 90000 Equity shares of Rs. 10 each at a premium of Rs.2 per share payable as follows:  
 10 Marks Applying CO1  
 On Application Rs. 2 per share  
 On Allotment Rs. 5 per share (Including Premium)  
 On First call Rs. 2 per share  
 On Final call Rs.3 per share  
 Applications were received for 50000 shares. Company made and received at all the above calls. Pass journal entries in the books of Sanjay Rama Swamy Limited

**8** Chennai Construction Company Ltd, had 1,000, 8% Redemption Preference shares of Rs.100 each, fully paid up. The company decided to redeem these preference shares at par by issue of sufficient number of equity shares of Rs 10 each fully paid up at par. You are required to prepare to pass necessary Journal Entries including cash transactions in the books of the company.  
 10 Marks Applying CO2

**Or**

**9** Discuss the conditions for redemption of preferences shares as per Indian Company Act 2013 ?  
 10 Marks Applying CO2

**10** A Company issued prospectus inviting applications for 350000 Equity shares of Rs.10 each. The whole issue was fully unwritten by A, B, C, and D as follows:  
 10 Marks Understanding CO4

- A- 1,40,000
- B- 1,05,000
- C- 70,000
- D- 35,000

Applications were received from 3,15000 shares of which marked applications were:

- A- 1,54000 shares
- B- 77000 shares
- C- 63000 shares
- D- 7000 shares

Calculate the liability of the underwriters

**Or**

**11** BCR Limited issued 5,00,000 equity shares of Rs. 10 each. Virat Kohil, Glenn Maxwell, Mohammed Siraj, and Will Jacks,  
 10 Marks Applying CO4

underwriters the entire issue in the ratio of 4:3:2:1 respectively in consideration of commission allowed by law. Applications were received for 4,50,000 shares of which marked applications were as follows:

Virat Kohil- 2,20,000 shares; Glenn Maxwell- 90,000 shares; Mohammed Siraj- 90,000 shares; and Will Jacks - 10,000 shares. You required to find out: (a) The total liability of each underwriter; (b) Commission received by each underwriter.

- |           |  |          |             |     |
|-----------|--|----------|-------------|-----|
| <b>12</b> | Describe the various methods of issuing shares, providing suitable examples and relevant accounting entries for each method. | 10 Marks | Remembering | C01 |
| <b>Or</b> |  |          |             |     |
| <b>13</b> | Differentiate between equity shares and preference shares  | 10 Marks | Applying    | C01 |