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Bengaluru

Mid Term Examinations - October 2026

Date: 05/10/2026 **Time:** 09:30 AM - 11:00 AM

Course Code: CBS2027 **Course Name:** Corporate Accounting

Semester: Third Semester **Max. Marks:** 50 **Weightage:** 50%

CO - Levels	CO1	CO2
Marks	46	44

PART A: Answer Following Questions. 10 M

Q.N.	Questions	M	CO	BT
1	Define preference share capital.	2	CO1	BT1
2	ABC Ltd. received applications for 60,000 shares against an issue of 50,000 shares. Identify the situation and list any one option available to the company for dealing with the excess applications.	2	CO1	BT2
3	Rahul was allotted 500 shares of ₹10 each in ABC Ltd. He paid ₹3 per share on application and ₹4 per share on allotment, but failed to pay the final call of ₹3 per share. The company decided to forfeit his shares. Calculate the amount forfeited and pass the journal entry for forfeiture of shares.	2	CO1	BT3
4	State the underwriting commission payable on shares and debentures under the SEBI guidelines.	2	CO2	BT1
5	ABC Ltd. issued 50,000 equity shares of ₹10 each at par. The underwriting agreement provides for a commission at 5% of the issue price to Mr. A. Calculate the underwriting commission payable to Mr. A.	2	CO2	BT3

PART B : Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
6	Describe in brief the concept: (i) Calls-in Arrears. (ii) Calls-in Advance	10	CO1	BT2
7	Explain any five dfferent types of preference shares.	10	CO1	BT2

PART C: Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
8	Aman Ltd. made an issue of 50,000 shares of ₹ 10 each payable as follows : ₹ 5 on application, ₹ 2 on allotment, ₹ 3 on first and final call. All money received except a holder of 500 shares didn't paid allotment and first and final call. Prepare the necessary journal entries.	10	CO1	BT3
9	Arya Ltd. made an issue of 40,000 shares of ₹ 10 each payable as follows : ₹ 4 on application, ₹ 4 on allotment, ₹ 2 on first and final call. All money received except a holder of 1000 shares didn't paid allotment and first and final call. Prepare the necessary journal entries.	10	CO1	BT3

PART D: Answer Any 1 Following Questions. 10 M				
Q.N.	**Questions**	**M**	**CO**	**BT**
10	Explain the concept of underwriting of shares. List its five features.	10	CO2	BT2
11	Explain the procedure for calculating underwriters' liability.	10	CO2	BT2

PART E: Answer Any 1 Following Questions. 10 M				
Q.N.	**Questions**	**M**	**CO**	**BT**
12	Zenith Ltd. issued 1,50,000 equity shares. The entire issue was underwritten by X, Y and Z as follows: X – 75,000 shares, Y – 45,000 shares, Z – 30,000 shares. Applications for 1,20,000 shares were received in total, out of which applications for 35,000 shares bear the stamp of X, 21,000 shares bear the stamp of Y and 14,000 shares bear the stamp of Z. The remaining applications were unmarked. Compute the net liability of X, Y and Z.	10	CO2	BT3
13	Nova Ltd. issued 1,00,000 equity shares. The entire issue was underwritten by A, B and C as follows: A – 50,000 shares, B – 30,000 shares, C – 20,000 shares Applications for 75,000 shares were received in total, out of which applications for 20,000 shares had the stamp of A, 12,000 shares had the stamp of B and 8,000 shares had the stamp of C. The remaining applications were unmarked. Calculate the net liability of A, B and C.	10	CO2	BT3