

**IIS IMBA (NEP) Sem.-3 Examination
DSC-C-IMBA-232**

Advanced Financial Accounting

Time : 2.00 Hours]

December-2025

[Max.Marks : 50

- Q.1.(A) Explain the different types of share capital shown in a company's balance sheet as per the Companies Act, 2013. 05
- Q.1.(B) Write short note on : Forfeiture of shares 05
- OR
- Q.1. On 1-1-2024, Sagar Engineering Limited offered 10,000 Shares of Rs. 10 each to the public, payable as under: 10
- On Application: Rs. 2 per share
 - On Allotment: Rs. 2.50 per share
 - On First Call: Rs. 3 per share
 - On Second Call: Rs. 2.50 per share
- By 15th February applications were received for 9,000 shares. Allotment was made on 1st March and all sums due on allotment were received on 15th March. First Call was made on 15th May and the money due was received in full by 1st June. Second call was made on 15th June and the call money due was received in full with the exception of 1,000 shares.
- Required:**
Journalise the above transactions (including cash transactions) and prepare necessary Ledger Accounts.
- Q.2. Rohan Limited has an authorized capital of ₹ 50,00,000. The company issued 10,000, 10% Debentures of ₹ 100 each at a premium of ₹ 10 per debenture. The debentures were payable as follows: 10
- Application: 30 per debenture.
 - On Allotment: ₹ 50 per debenture (including premium of ₹ 10).
 - On First and Final Call: ₹ 30 per debenture.
- The issue was fully subscribed, and all money was duly received. The debentures are redeemable at par after five years.
Pass the necessary Journal Entries in the books of Rohan Limited for the issue of debentures.
- OR
- Q.2.(A) Differentiate between shares & debentures. 05
- Q.2.(B) Write a note on issue of debenture at discount. 05
- Q.3. M Ltd. Has authorized capital of Rs 50,00,000 divided into 1,00,000 equity shares of Rs.50 each. The company has issued for subscription of 50,000 shares at a premium of Rs.10 each. The entire issue was underwritten as follows: 10
- Underwriter A – 30,000 shares (Firm underwriting 5000)
Underwriter B – 15,000 shares(Firm underwriting 2000)
Underwriter C – 5,000 shares(Firm underwriting 500)

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Out of total issue

45,000 shares including firm underwriting were subscribed. Marked applications in favor of A-16,000, in favor of B -10,000 & in favor of C - 4000.

The remaining are unmarked applications.

Find out the liability of each underwriter.

OR

Q.3.(A) Define underwriting. Explain the importance of underwriting in the issue of shares and debentures. 05

Q.3.(B) Explain Firm underwriting. 05

Q.4. The following is the Balance Sheet of Tejas Brothers as on 31-3-2025. 10

Liabilities	Rs.	Assets	Rs.
Capital:		Building	158400
A 132000		Machineries	105600
B 96800	228800	Investments (M.V. Rs.35200)	26400
Workmen Profit Sharing fund	8800	Stock	96800
Workmen Compensation fund	13200	Debtors 74800	
Bank Loan	176000	Less: Bad Debts 4400	61600
Creditors	22000	Less: Bad Debts Reserve 8800	
Bills payable	8800	Prepaid Expenses	2200
		Cash	6600
	457600		457600

On 1-4-25 Shri Ram Ltd. was incorporated with an authorised capital of 4400 equity shares of Rs. 100 each to take over the running business of the above firm.

Conditions for business purchase:

1. The value of building as shown in the books is 10% less than market price and stock is over valued by 10%.
2. Debtors are subject to 10% bat debts reserve.
3. The purchase consideration is to be satisfied by issuing 1760 equity shares of Rs.80 paid up to at the rate of Rs.120 and Rs.41360 to be paid in cash.
4. The company has issued remaining shares to the public at Rs.80 paid up at the rate of Rs.120.

Prepare initial Balance sheet of the company.

OR

Q.4.(A) Write short note on Purchased Consideration Method. 05

Q.4.(B) Vasava Ltd. purchased the business of Vinod Brothers. Purchase Consideration was paid by 24000 equity shares of Rs. 100 each at 25% 05

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premium. Capital Reserve arrived at Rs.120000. If the value of total liabilities taken over was Rs.600000, then what would be the value of total assets taken over?

Q.5.

Attempt any five.

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1. Define debenture.
 2. What is Redeemable debenture?
 3. List down types of preference shares.
 4. Explain Marked applications.
 5. The maximum amount of capital that a company is authorized to issue is called:
 - a) Issued Capital
 - b) Subscribed Capital
 - c) Authorized Capital
 - d) Paid-up Capital
 6. Debentures represent:
 - a) Ownership of the company
 - b) Long-term debt of the company
 - c) Fixed assets of the company
 - d) Current liabilities
 7. When the purchase consideration exceeds the net assets acquired, the difference is treated as:
 - a) Capital Reserve
 - b) Goodwill
 - c) Profit on Purchase
 - d) Discount on Purchase.
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