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**B.Com. (Part - II) (Semester - IV) Examination,
April - 2019**

CORPORATE ACCOUNTING (Paper - II)

Sub. Code : 63121

Day and Date : Thursday, 11 - 04 - 2019

Total Marks : 50

Time : 03.00 p.m. to 05.00 p.m.

- Instructions :**
- 1) All questions are compulsory.
 - 2) Figures to the right indicate full marks.
 - 3) Use of calculator is allowed.

Q1) Sandip Ltd. and Sanjay Ltd. were two companies carrying on a similar type of business. Sanjay Ltd. agreed to absorb Sandip Ltd. on 1st April, 2016 when, the Balance Sheet of Sandip Ltd. was as follows:

Balance Sheet of Sandip Ltd.

Liabilities	Rs.	Assets	Rs.
Paid up share capital: 80,000 Eq. Shares of Rs.10 each fully paid	8,00,000	Building	6,00,000
4000, 6% Preference Shares of Rs.100 each	4,00,000	Machinery	7,00,000
Profit & Loss a/c	3,60,000	Loose Tools	1,20,000
Sundry Creditors	2,80,000	Cash at Bank	80,000
		Stock	1,22,000
		Sundry Debtors	1,30,000
		Preliminary expenses	88,000
Total	18,40,000	Total	18,40,000

All the assets and liabilities except cash of Sandip Company Ltd. were taken over. Sanjay Ltd. agreed to pay purchase consideration as:

- a) Rs. 5 per share in cash and issue of 1,20,000 Equity Shares of Rs. 10 each at Rs. 11 per share as fully paid to Equity Shareholders of Sandip Ltd.

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- b) 6% Preference Shareholders of Sandip Ltd. by issue of 40,000 equity shares of Rs. 10 each at par as fully paid in full satisfaction of their claim.
- Calculate purchase consideration and prepare Realization A/c., Equity Share A/c. [10]
 - Prepare Preference Shareholders A/c., Equity Shareholders A/c., Cash A/c. and Sanjay Ltd. A/c. [10]

Q2) Attempt any two of the following A, B and C

- A) Manu Company Ltd. went into voluntary liquidation on 31st December 2016. The balance sheet as on that date was as follows:

Liabilities	Rs.	Assets	Rs.
Paid Up Capital: 4000 Preference Shares of Rs.100 each	4,00,000	Building	8,40,000
6000 Equity Shares of Rs.100 each	6,00,000	Machinery	2,00,000
8% Debentures	4,00,000	Stock	1,40,000
Sundry Creditors	3,20,000	Sundry Debtors	2,60,000
Bank Overdraft	1,00,000	Cash	40,000
		Vehicle	1,40,000
		Profit & Loss A/c.	2,00,000
	18,20,000		18,20,000

The sundry creditors includes Rs. 80,000 preferential. The liquidators remuneration was 5 % on the amount realized by him excluding cash and 2% on the amount paid to unsecured creditors including preferential creditors. The amount of liquidation expenses was stood at Rs. 8,000.

The liquidator realize the assets as follows.

- Building Rs. 11,00,000
- Machinery Rs. 1,20,000
- Debtors Rs. 2,28,000
- Stock Rs. 1,00,000
- Vehicle Rs. 1,52,000

Show the Liquidators Final Statement of Account.

[10]

- B) Dipa Ltd. and Laxmi Ltd. agreed to amalgamate and forma new company Diplaxmi Ltd. The authorized capital of the new company was Rs. 5,00,000 divided into equity shares of Rs. 10 each. The balance sheets of both the companies on the date of amalgamation were as follows:



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Balance Sheets

Liabilities	Dipa Ltd.	Laxmi Ltd.	Assets	Dipa Ltd.	Laxmi Ltd.
Equity Share capital of Rs. 10 each	4,00,000	2,80,000	Building	4,80,000	2,48,000
General Reserve	32,000	22,000	Machinery	1,20,000	Nil
P & L A/c	88,000	60,000	Debtors	1,60,000	1,80,000
Sundry Creditors	98,000	1,20,000	Stock	40,000	30,000
8% Debentures	2,00,000	Nil	Loose Tools	40,000	40,000
Bills Payable	22,000	16,000			
Total	8,40,000	4,98,000	Total	8,40,000	4,98,000

For the purpose of amalgamation, Diplaxmi Ltd. assume all liabilities of both the companies and revalued the assets of Dipa Ltd. and Laxmi Ltd. as

Particular	Dipa Ltd.	Laxmi Ltd.
Building	5,60,000	2,60,000
Machinery	2,00,000	00
Debtors	1,40,000	1,60,000
Stock	32,000	32,000
Loose Tools	28,000	26,000
Goodwill	40,000	28,000

Calculate Purchase Consideration of both the companies and Prepare Realization A/c. in the books of Dipa Ltd. and Laxmi Ltd. [10]

C) The following is Balance Sheet of Sujit Company Ltd. as on 31st March 2017.

Balance Sheet

Liabilities	Rs.	Assets	Rs.
Share Capital: 15000 Equity Shares of Rs.100 each	15,00,000	Land & Building	15,40,000
4000 8% Preference Shares of Rs. 100 each	4,00,000	Plant & machinery	17,60,000
General Reserve	7,00,000	Vehicles	4,50,000
Profit & Loss A/c.	5,00,000	Debtors	6,80,000
10% debentures	10,00,000	Stock	4,70,000
S. Creditors	8,00,000		
	49,00,000		49,00,000

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The land & building and Plant & machinery are to be depreciated by 10% and vehicle by 20%. The stock is revalued at Rs. 4,45,000 and Debtors subject to a provision for bad debts of Rs. 80,000.

The profits for the last five years were as :2012-13 Rs. 4,30,000, 2013-14 Rs. 4,70,000 , 2014-15 Rs. 5,00,000, 2015-16 Rs.6,00,000 and 2016-17 Rs. 6,45,000. The taxation provision is to be made at 50% and a profit earning capacity of similar company's show 10%.

Find out I) Intrinsic value II) Market Value and III) Fair Value of the equity shares. [10]

Q3) Write short notes (Any two) [10]

- a) Important Features of Tally
- b) Valuation of Shares
- c) Generation of Accounting Reports
- d) Preferential Creditors

