Roll No. | | | | | | | | | | | | | **Total No. of Pages: 03**

Total No. of Questions: 07

B.Com. (2011 & Onwards) (Sem. – 4)

CORPORATE ACCOUNTING – II

M Code: 22019

Subject Code: BCOP-401

Paper ID: [B1140]

Time: 3 Hrs. **Max. Marks: 60**

INSTRUCTIONS TO CANDIDATES:

1. **SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.**
2. **SECTION-B contains SIX questions carrying TEN marks each and students have to attempt any FOUR questions.**

SECTION A

1. Write note on the following: Answer to each question should be up-to 10 lines.

   a) External Reconstruction

   b) Book Value of Shares

   c) Fictitious Assets`

   d) Capital Reserve

   e) X Ltd. takes over the business of Z Limited. The value of the assets of Z limited amounted to Rs. 3,50,000. Amount Payable to debenture holders and creditors is Rs. 1,50,000 and Rs. 1,00,000 respectively. Calculate Purchase Consideration.

   f) Minority Interest

   g) Preferential Payment

   h) Receiver for Debenture Holders

   i) Ceding Company

   j) Brief note on accounts of electricity companies

SECTION B

2. Mittal Ltd. agreed to acquire the business of Ashish Ltd. The Balance Sheet of Ashish Ltd as on 31st March, 2014 is as follows:

Particulars	Amount (Rs.)
EQUITY AND LIABILITIES	
Share Capital: 75,000 Equity Shares @ Rs.10 each	7,50,000
37,500 10% Preference Shares @ Rs. 10 each	3,75,000
Profit and Loss Account	1,68,750
15% Debentures	3,75,000
Sundry Creditors	5,62,500
Total	**22,31,250**
ASSETS	
Land and Building	7,50,000
Plant and Machinery	3,75,000
Stock	7,50,000
Cash at Bank	1,87,500
Sundry Debtors	1,31,250
Discount on the issue of Shares	37,500
	22,31,250

The Purchase Consideration was Payable as follows:

a) Equity Shares are discharged by the issue of 6 equity shares of Rs.10 each at a premium of 10% and are to be paid in cash against for every 5 shares held.

b) The Preference Shareholders of Ashish Ltd. are discharged by the issue of 20% preference Shares at a premium of 10% in Mittal Ltd.

c) Debenture holders of Ashish Ltd. are to be discharged by Mittal Ltd at a premium of 8% by the issue of 20%. Debentures at a discount of 5%.

Assets and Liabilities are valued as follows:

- Land and Building 9,37,500
- Stock 8,25,000

- Debtors at book value providing provision of 10% for Doubtful Debts
- Debtors of Ashish Ltd.include5,000 Due from Mittal Ltd.
- It was agreed that before acquisition, Ashish Ltd will pay dividend at the rate of 20% to Equity shareholders.

You are required to prepare necessary Ledger Accounts in the books of Ashish Ltd and pass Journal Entries in the books of Mittal Ltd.

3. The liabilities and assets of the holding company H Ltd. and its subsidiary S Ltd. as on 31st December 2014 are as follows:

Liabilities	**H Ltd. Rs.**	**S Ltd. Rs.**	**Assets**	**H Ltd. Rs.**	**S Ltd. Rs.**
Share Capital:			**Sundry Assets**	**48000**	**30000**
Shares of Re. 1 each	30000	15000	Investments:		
Profit and Loss Account	12000	5400	15000 shares in S Ltd	18000	
General Reserve	15,000				
Current Liabilities	9000	9600			
	66000	**30000**		**66000**	**30000**

H Ltd. acquired the shares in S Ltd. on 30th June 2014. On 1st January 2014 the Balance Sheet of S Ltd. showed a loss of Rs. 9000, which was written off out of profit earned during the year 2014. Profits are assumed to accrue evenly throughout the year. Prepare the Consolidated Balance Sheet.

4. What are the various methods for calculation of purchase consideration?

5. Write a note on the followings:

   a) Calculation of Liquidator's Remuneration.

   b) Liquidator's Statement of Affairs.

6. Discuss the format of Income Statement and Balance Sheet of Banking Company.

7. Write a note on the following:

   a) Capital Profits and Revenue Profits

   b) Annuity and Actuary

   c) Voluntary Winding Up