

Roll No.

--	--	--	--	--	--	--	--	--	--	--	--

Total No. of Pages : 03

Total No. of Questions : 07

B.Com.(Professional) (2013 to 2017 Batch) (Sem.-4)

CORPORATE ACCOUNTING – II

Subject Code : BCOP-401

M.Code : 22019

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 short notes on :

- (a) Define Absorption.
- (b) How is Amalgamation different from Merger?
- (c) Explain the term 'Fair Value'.
- (d) What do you understand by consolidation of accounts?
- (e) Define minority interest.
- (f) Discuss the term 'Preferential Payments'.
- (g) What is a Statement of Affair?
- (h) Who is a liquidator?
- (i) What are Non-banking Assets?
- (j) What is 'Reserve for unexpired risk'?

SECTION-B

2. The summarised Balance sheet of Saharsh Ltd. as on 31st March, 2019 was as follows :

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Shares of Rs. 10 each fully paid	21,00,000	Goodwill	3,50,000
General Reserve	5,95,000	Land & Buildings	22,40,000
Profit and Loss A/C	3,85,000	Stock	5,88,000
10% Debentures	3,50,000	Debtors	1,26,000
Creditors	70,000	Cash	1,96,000
	35,00,000		35,00,000

Rohan Ltd. agreed to absorb the business of Saharsh Ltd. with effect from 1st April, 2019. The purchase consideration payable by Rohan Ltd. was agreed as follows :

- (a) A cash payment equivalent to Rs. 2.50 for every Rs.10 per share in Saharsh Ltd.
- (b) The issue of 3,15,000 Equity shares of Rs. 10 each fully paid in Rohan Ltd. having an agreed value of Rs.15 per share.
- (c) The issue of such an amount of fully paid 8% Debentures in Rohan Ltd. at 96% as is sufficient to discharge 10% Debentures in Saharsh Ltd. at a premium of 20%.

When computing purchase consideration, Rohan Ltd. valued Land & Buildings at Rs. 42,00,000 stock at Rs. 4,97,000 and Debtors at their face value subject to a reserve of 5% for doubtful debts. The cost of liquidation of Saharsh Ltd. was Rs. 17,500 and to be met by Saharsh Limited and the balance of cash to be taken over by Rohan Ltd. You are required to :

- (a) Close the books of Saharsh Ltd., by preparing Realisation A/c, Rohan Ltd. A/c Shareholders A/c and Debentures A/c.
 - (b) Pass journal entries in the books of Rohan Ltd. regarding the acquisition of business.
3. How is purchase consideration determined? Explain.

4. Balance sheets as on 31st March, 2019.

Liabilities	H Ltd.	S Ltd.	Assets	H Ltd.	S Ltd.
Share capital			Fixed Assets	3,00,000	1,00,000
Equity Shares of Rs. 10 each fully paid	5,00,000	2,00,000	60% shares in S Ltd. at cost	1,62,400	-
General Reserve	1,00,000	50,000	Current Assets	2,77,600	2,39,000
Profit and loss Account	60,000	35,000	Preliminary Expenses		6,000
Creditors	80,000	60,000			
	7,40,000	3,45,000		7,40,000	3,45,000

H Ltd. acquired the share on 1st April 2018 on which date General Reserve and profit and loss Account of S Ltd. showed balances of Rs. 40,000 and Rs. 8,000 respectively. No part of preliminary expenses was written off during the year ending 31st March, 2019. Prepare the consolidated balance sheet of H Ltd. and its subsidiary S Ltd. as on 31st March 2019.

5. Discuss the treatment of capital profits and revenue profits in case of holding company and subsidiary company.
6. What do you mean by liquidation of a company? What are the different methods for the winding up of a company?
7. (a) List out disclosures required to be the part of financial statements of banking company.
- (b) Draw format of financial statements of banking company with hypothetical figures.

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.