



NP – 338

IV Semester B.Com. Examination, July/August 2024
(NEP Scheme)
COMMERCE

Paper – 4.1 : Advanced Corporate Accounting

Time : 2½ Hours

Max. Marks : 60

Instruction : Answer should be written in **English or Kannada.**

SECTION – A

1. Answer **any six** sub-questions. **Each** sub-question carries **two** marks. **(6×2=12)**
- What is capital redemption reserve ?
 - Name any two objectives of amalgamation of companies.
 - Who is a contributory ?
 - What is liquidator final statement of account ?
 - What is inflation accounting ?
 - Who is a liquidator ?
 - State any two differences between Amalgamation and Acquisition.
 - State any two objectives of internal reconstruction.

SECTION – B

- Answer **any three** questions. **Each** question carries **four** marks. **(3×4=12)**
2. Rakshita Company had 10,000, 6% redeemable preference shares of ₹ 100 each fully paid. These shares were due for redemption on 31 March 2023 at a premium of 10%. To carry out redemption, the company issued 2,500 equity shares of ₹ 100 each at a premium of 7.5%. The company had a balance of ₹ 50,000 in securities premium account and ₹ 10,00,000 in Profit and Loss Account. Pass Journal entries.
3. Pooja Sharma Company agreed to purchase Anand Co. Ltd. and the Co. had agreed to issue 16,000 equity shares of ₹ 10 each at a premium of 10%, 1,000 8% preference shares of ₹ 100 each at a premium of 10%, ₹ 20,000 in cash.
Calculate Purchase Consideration.
4. Calculate liquidator remuneration and also state the amount paid to unsecured creditors from the following :
- Balance of cash after paying preferential creditors ₹ 4,10,000.
 - Other unsecured creditors ₹ 4,78,000.
 - Liquidator remuneration is 3% on the amount paid to other unsecured creditors.

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5. Rahul Limited resorted to internal reconstruction. The scheme is as under
- 20,000 equity shares of ₹ 10 each fully paid to be converted into 10,000 equity shares of ₹ 5 each fully paid.
 - 1,000, 12% preference shares of ₹ 100 each fully paid to be converted into 10,000 equity shares of ₹ 5 each, fully paid.
 - 150, 15% debentures of ₹ 1,000 each to be discharged by issue of ₹ 20,000 equity shares of ₹ 5 each fully paid.
 - The amount so available to be appropriated as :
P & L debit balance ₹ 1,00,000 ; Goodwill ₹ 1,00,000 ; Plant and machinery ₹ 25,000.

Pass necessary Journal entries.

6. Write a note on Cloud based accounting.

SECTION – C

Answer **any three** questions. **Each** question carries **twelve** marks.

(3×12=36)

7. Following is the Balance Sheet of XYZ Ltd. Co.

Liabilities	₹	Assets	₹
40,000 equity shares of ₹ 10 each	4,00,000	Goodwill	40,000
Bank overdraft	61,700	Buildings	82,000
Sundry creditors	60,000	Machinery	2,03,400
		Stock	41,100
		Debtors	60,000
		Cash	6,000
		P & L A/c	83,200
		Preliminary expense	6,000
	5,21,700		5,21,700

The company adopted the scheme of internal reconstruction.

- Reduce the present value of equity shares to ₹ 5 each fully paid.
- The company to issue 26,000 equity shares of ₹ 5 each fully paid and pay off bank overdraft.
- Sundry creditors agreed to forego 20% of claims as the company decided to pay them cash immediately.
- Reconstruction expenses amounted to ₹ 4,000.
- The director found that the machinery is over valued by ₹ 20,000. They also decided to write off intangible assets and P & L A/c completely. Pass Journal entries and prepare reconstructed Balance Sheet.

8. Following is the Balance Sheet of Manoj Company and Bharath Company as on 31/3/22.

Liabilities	Manoj	Bharath	Assets	Manoj	Bharath
	₹	₹		₹	₹
Equity share cap. (30,000 shares)	3,00,000	3,00,000	Land and building	2,00,000	3,00,000
			Plant and machinery	3,00,000	2,50,000



Reserves and surplus	1,00,000	2,00,000	Stock	1,50,000	1,50,000
12% deb.	2,00,000	2,00,000	Debtors	50,000	1,00,000
Creditors	1,20,000	1,20,000	Cash	20,000	20,000
	7,20,000	8,20,000		7,20,000	8,20,000

Above companies decided to amalgamate their business and started a new company named 'Maba' Company. The assets of both companies are – Fixed assets 25% more, stock 15% less and debtors 10% less.

The purchase consideration is discharged by the issue to both companies sufficient number of equity shares of ₹ 10 each in 'Maba' Ltd. at an agreed value of ₹ 12.50 per share. Prepare necessary ledger accounts in Manoj Company and Bharath Company.

9. Balance Sheet of Rahul Company as on 31-3-2020 as under. Prepare Liquidator final statement of accounts.

Liabilities	Amount	Assets	Amount
	₹		₹
50,000 Equity shares of ₹ 10 each	5,00,000	Plant and machinery	4,00,000
2,000, 6% cumulative preference shares of ₹ 100 each	2,00,000	Furniture	1,000
7% debenture	1,00,000	Investment	50,000
Sundry creditors		Stock	50,000
Trade	3,00,000	Debtors	2,00,000
Cash	48,000	Cash	1,200
Outstanding	2,000	Profit and Loss A/c	4,47,800
	11,50,000		11,50,000

Preference dividend are in arrear for one year. Debenture interest is also due for one year. All outstanding creditors are preferential. The assets realised : Plant and machinery ₹ 2,80,000 ; Furniture ₹ 400 ; Debtors ₹ 1,50,000 ; The stock and investments realised nothing. The expenses of liquidation amounted to ₹ 200. The liquidator remuneration is 4% on asset realised and 2% on amount paid to unsecured creditors.

10. Balance Sheet of PKN Ltd. as on 31-3-23 is as follows :

Liabilities	Rupees	Assets	Rupees
9,500 preference share of ₹ 100 each	9,50,000	Land and building	50,000
Creditors	50,000	Machinery	1,30,000
Debenture	50,000	Furniture	10,000
		Stock	1,85,000
		Debtors	90,000
		Goodwill	1,00,000
		P&L A/c	4,85,000
	10,50,000		10,50,000



The company is to be reconstructed as

- Shares of ₹ 100 to be reduced to an equal no. of fully paid shares of ₹ 40 each.
- To issue 1,000 shares (new) of ₹ 40 each, as fully paid up to the debenture holders in full settlement.
- The amount available is utilised in writing off goodwill and profit and loss account and the balance in writing down value of machinery.

Prepare Capital Reduction Account and New Balance Sheet.

11. The following is the Balance Sheet of XY Co. Ltd. as on 31-3-23.

Liabilities	Amount ₹	Assets	Amount ₹
20,000 8% preference redeemable share of ₹ 10 each	2,00,000	Fixed assets	8,00,000
40,000 7% redeemable preference share of ₹ 10, ₹ 5 per share fully paid	2,00,000	Investment	2,00,000
40,000 equity share of ₹ 10 fully paid	4,00,000	Stock	80,000
Securities premium	1,60,000	Debtors	1,20,000
General reserve	1,20,000	Bank	4,00,000
Capital reserve	1,40,000		
Profit and Loss A/c	1,80,000		
Current liability	2,00,000		
	16,00,000		16,00,000

On 1-4-23, the company redeemed both preference shares at a premium of 10% in order to pay off the preference shareholders. The company issued 50,000 equity shares of ₹ 10 each at 5% premium.

Pass Journal entries and prepare reconstructed Balance Sheet.

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- ಯಾವುದಾದರೂ ಆರು ಉಪ-ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿ. ಪ್ರತಿ ಉಪ-ಪ್ರಶ್ನೆಗೆ ಎರಡು ಅಂಕಗಳು. (6×2=12)
 - ಬಂಡವಾಳ ವಿಮೋಚನಾ ನಿಧಿ ಎಂದರೇನು ?
 - ಕಂಪನಿಗಳ ಸಂಯೋಜನೆಯ ಯಾವುದಾದರೂ ಎರಡು ಉದ್ದೇಶಗಳನ್ನು ತಿಳಿಸಿ.
 - ವಂತಿಗೆದಾರ ಎಂದರೆ ಯಾರು ?
 - ಅಂತಿಮ ವಿಸರ್ಜಕನ ಖಾತೆ ಎಂದರೇನು ?
 - ಹಣದುಬ್ಬರ ಲೆಕ್ಕಶಾಸ್ತ್ರ ಎಂದರೇನು ?
 - ವಿಸರ್ಜಕ ಎಂದರೆ ಯಾರು ?
 - ಸಂಯೋಜನೆ ಮತ್ತು ಸ್ವಾಧೀನಪಡಿಸಿಕೊಳ್ಳುವಿಕೆಯ ನಡುವಿನ ಯಾವುದಾದರೂ 2 ವ್ಯತ್ಯಾಸಗಳನ್ನು ತಿಳಿಸಿ.
 - ಆಂತರಿಕ ಪುನರ್ನಿರ್ಮಾಣದ ಯಾವುದಾದರೂ 2 ಉದ್ದೇಶಗಳನ್ನು ತಿಳಿಸಿ.