

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)
Chromepet, Chennai - 600 044.

B.Com. CA - END SEMESTER EXAMINATIONS - NOVEMBER 2025
SEMESTER - IV

23UCCCT4008 - Corporate Accounting-II

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

Answer any **SIX** questions (6 × 5 = 30 Marks)

- Raman Ltd., agrees to purchase the business of Krishnan Ltd., on the following Terms:
 - For each of the 10,000 shares of ₹.10 each in Krishnan Ltd., 2 shares in Raman Ltd. of Rs.10 each will be issued at an agreed value of ₹.12 per share. In addition, Rs.4 per share cash also will be paid.
 - 8% Debentures worth ₹.80,000 will be issued to settle the ₹.60,000 9% debentures in Krishnan Ltd.
 - ₹.10,000 will be paid towards expenses of winding up.

Calculate the purchase consideration.

- While closing its books of accounts, a commercial bank has its advances classified as follows:

	₹. in lakhs
Standard assets	16,000
Sub-standard assets	1,300
Doubtful assets:	
Up to one year	700
One to three years	400
More than three years	200
Loss assets	500

You are required to calculate the amount of provision to be made by the bank, assuming that all the doubtful assets are secured.

- With the information given below, you are required to calculate the premiums earned(net) to be shown in revenue A/c of a marine Insurance company for the year ending 31-3-2015:

	₹.
Premiums less reinsurance	98,32,000
Provisions for unexpired risk (1-4-2014)	54,00,000
Additional reserve (1-4-2014)	5,40,000

Make a provision against unexpired risk at the end of the year at 100% of Net premium. The additional reserve is to be increased by 5% of the net premium.

- Calculate minority Interest from the Balance sheet of Mumbai Ltd.

Balance sheet of Mumbai Ltd., as on 31-12-2017

Liabilities	₹.	Assets	₹.
Share capital : 7,00,000 shares of ₹.2 each	14,00,000	Sundry assets	10,00,000
General reserve as on 1-1-17	6,00,000	Plant & Machinery	7,00,000
Creditors	3,00,000	Other assets	1,50,000
P&L A/c as on 31-12-17	2,00,000	Investments (80% of Shares)	6,50,00
	25,00,000		25,00,000

Madras Ltd., acquired 80% of the shares at ₹.6,50,000.

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5. From the following particulars, related to a liquidated company, calculate the amount of unsecured creditors and preferential creditors:

The creditors other than secured creditors of a liquidated company were:

	₹
Trade creditors	1,42,200
Provident fund of workers	11,000
Gas Board for gas supplied	420
Dues to city corporation for local takes	10,000
Salary of clerk for six months	30,000
Salary of Peon for four months	6,000
Directors fees for four months	8,000
Income tax due	10,000
Compensation under workmen's compensation act	9,000

6. On 31st March ,2018 a bank held the following bills, discounted by it earlier:

Date of bill 2018	Term of bill (months)	Discounted @% p.a	Amount of bill ₹.
(i) January,17	4	17	7,30,000
(ii) February,7	3	18	14,60,000
(iii) March ,9	3	17.5	3,64,000

You are required to calculate the rebate on bills discounted. Also show the necessary journal entry for the rebate.

7. Indicates the various methods of accounting for amalgamation.

8. Apply for various methods of winding up a company.

Section C

Answer any **THREE** questions (3 × 10 = 30 Marks)

9. Ram Ltd., and Shyam Ltd., have agreed to amalgamate. A new company Nikil Ltd., has been formed to take over the combined concern as on 31st December 2018. After negotiations, the assets of the two companies have been agreed upon as shown below:

Balance sheet as on 31-12-2018

Liabilities	Ram Ltd., ₹	Shyam Ltd., ₹	Assets	Ram Ltd., ₹	Shyam Ltd., ₹
Share capital: Shares of ₹.10 each	10,00,000	5,00,000	Land & Building	5,00,000	3,00,000
Reserve fund	Nil	50,000	Machinery	2,00,000	2,50,000
Profit and loss A/c	50,000	50,000	Goodwill	Nil	50,000
Creditors	80,000	50,000	Furniture	1,10,000	Nil
			Stock	1,50,000	20,000
			Debtors	1,20,000	20,000
			Bank	50,000	10,000
	11,30,000	6,50,000		11,30,000	6,50,000

Prepare the Balance sheet of Nikil Ltd., assuming

- (a) The entire purchase price is paid off in the form of equity shares of ₹.100 each in Nikil Ltd.
 (b) The amalgamation is in the nature of Merger.

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10. From the following information, relating to Adarsh Bank Limited, prepare Profit and Loss A/c for the year ending 31-3-2014 along with necessary schedules in the revised format:

	₹. in '000
Interest, discount earned	31,628
Income on investments	11,810
Interest received on balance with RBI	4,243
Commission, exchange and brokerage	2,907
Profit on sale of investments	114
Interest on RBI loan paid	31,404
Interest on employees	3,362
Salaries to employees	9,717
Rent,taxes and lighting	1,168
Depreciation on Bank property	379
Director's fees	7
Auditors fees	41
Law charges	22
Postages telegrams, telephone,etc	403
Other expenditure	1,799
Balance of Profit B/D from last year	1,000

Adjustments :

- Make a provision for I.T. @51.75% on profit.
 - Transfer 25% of profit to statutory reserves and 5% to revenue reserve.
 - Transfer to proposed dividend 2,00,000.
11. The Ashok Company Ltd. went into voluntary liquidation on 31.12.2014. When the statement of affairs was as below:
Unsecured creditors stood at ₹.40,000 including ₹.5,000 preferential claims. Secured creditors secured on Plant & Machinery stood at Rs.20,000; Cash in hand was ₹.1,000.
The liquidator realised Plant & Machinery for ₹. 15,000 and the other assets realised ₹.10,000. The liquidation expenses amounted to ₹.1,000 and the liquidator's remuneration was fixed at 4% of the amount realised including cash balance and 2% of the amount distributed to unsecured creditors including preferential creditors.
Prepare liquidator's final statement of account showing the dividend paid to unsecured creditors.
12. On 31st March,2018 the balance sheets of H Ltd., and its subsidiary S Ltd., stood as follows

Liabilities	H Ltd., ₹	S Ltd., ₹	Assets	H Ltd., ₹	S Ltd., ₹
Equity share capital	8,00,000	2,00,000	Fixed Assets	5,50,000	1,00,000
General Reserve	1,50,000	70,000	75% Shares in S Ltd., (at cost)	2,80,000	-
Profit and Loss A/c	90,000	55,000	Stock	1,05,000	1,77,000
Creditors	1,20,000	80,000	Other Current Assets	2,25,000	1,28,000
	11,60,000	4,05,000		11,60,000	4,05,000

Draw a consolidated Balance Sheet as at 31st March, 2018 after taking into consideration the following information:

- H Ltd., acquired the shares on 31st July, 2017.
- S Ltd., earned profit of ₹.45,000 for the year ended 31st March 2018.
- In January 2018 S Ltd., sold to H Ltd., goods costing ₹.15, 000 for ₹.20,000. On 31st March, 2018 half of these goods were lying as unsold in the godown of H Ltd.

Give your work notes.

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13. From the following particulars relating to 'Z' Insurance Co.Ltd., prepare Fire Revenue A/c for the year ending 31.3.2005:

Particulars	₹.	Particulars	₹.
Claim paid	4,80,000	Premium received	12,00,000
Claims outstanding on 1.4.04	40,000	Reinsurance premium paid	1,20,000
Claims intimated but not accepted & paid on 31.3.05	10,000	Commission	2,00,000
Claims intimated and accepted but not paid on 31.3.05	60,000	Commission on reinsurance ceded	10,000
Commission on reinsurance accepted	5,000	Provision for unexpired risk on 1.4.04	4,00,000
Expenses of management	3,05,000	Additional provision for unexpired risk on 1.4.04	20,000
Bonus in reduction of premium	12,000		

You required to provide for additional reserve for unexpired risk at 1% of the net premium in addition to the opening balance.
