

Roll.No.

21UCCCT4007

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

21UCCCT4007 - Advanced Corporate Accounting

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

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

1. Following is the Balance sheet of a company as on 31st March 2018.

Liabilities	₹	Assets	₹
Share Capital (₹10)	1,00,000	Fixed Assets	50,000
Creditors	50,000	Current Assets	30,000
		Profit and Loss A/c	50,000
		Goodwill	20,000
	1,50,000		1,50,000

Analyze the impact of reducing share capital by ₹7 per share and wiping off accumulated losses on the company's Balance Sheet and give Journal entries.

2. A Purchasing company agrees to issue three shares of ₹10 each paid up at market value of ₹15 per share for every 5 shares in the vendor company. Find out the number and amount of shares to be issued by the purchasing company if the vendor company has 1,00,000 shares of ₹10 each ₹5 paid up.
3. Analyse the calculation of purchase consideration under the net assets method.
4. Describe the format of a Balance Sheet for an electricity supply company as per regulatory requirements.
5. The XYZ electricity company decided to replace some parts of its Plant by an improved Plant. The Plant to be replaced was built in 2003 for ₹54,00,000. It is estimated that it would now cost ₹80,00,000 to build a new Plant of the same size and capacity. The cost of the new Plant as per the improved design was ₹1,70,00,000 and in addition, material belonging to the old Plant valued at ₹5,50,000 was used in the construction of the new Plant. The balance of the old Plant was sold for ₹3,00,000. Compute the amount to be capitalized.
6. Ganesh Ltd., purchased 60% shares of Muruga Ltd. On 1st January 2014 when the balance in their P&L A/c and general reserve were ₹1,50,000 and ₹1,60,000 respectively. On 31st December 2014, the balance sheet of Y Ltd., showed P&L A/c balances of ₹4,00,000 and General reserve of ₹3,00,000. Calculate Capital Profit.
7. Interest on cash credits and loans- ₹1,790; Interest on deposits- ₹620; Administrative expenses- ₹480; Discount- ₹210; Commission & Exchange- ₹300; Rebate on bills discounted (1-4-2015)- ₹90. Additional information: Rebate on bills discounted at the end of the year- ₹2,90,000. From the above balances, calculate the interest earned by the banking company and also analyze its impact on the company's financial performance.

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8. From the following particulars, prepare and analyse the profit and loss account of Dhanalakshmi Bank for the year ended 31st March 2022.

i) Interest Earned	- ₹37,00,000
ii) Other Income	- ₹4,55,000
iii) Interest Expended	- ₹20,00,000
iv) Operating expenses	- ₹4,75,000
v) Provisions & Contingencies	- ₹3,00,000
vi) Transfer to Proposed Dividend	- ₹1,00,000

Section C

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

9. Peerless Ltd., had the following Balance Sheet as on 31.12.1995:

Liabilities	₹	Assets	₹
6% Preference shares of ₹100 each	2,00,000	Goodwill	60,000
Equity shares of ₹100 each	4,00,000	Fixed Assets	3,00,000
Debentures	1,00,000	Stock	1,50,000
Sundry Creditors	1,50,000	Debtors	60,000
		Discount on Debentures	10,000
		Bank	1,000
		Profit and Loss A/c	2,69,000
	8,50,000		8,50,000

The following reconstruction scheme was approved:

- Preference shares be reduced to 8% preference shares of ₹60 each.
- Equity shares to be reduced by ₹80 each.
- The amount thus made available to be utilised to write off fictitious assets including goodwill and ₹50,000 from fixed assets.

Analyse the financial situation of the company and give journal entries for the reconstruction and prepare revised Balance sheet.

10. 'A' company and 'B' company whose business are of similar nature, decided to amalgamation and a new company called 'AB' Company Ltd. is formed to take over their assets and liabilities. The following are their balance sheets.

Balance Sheet as on 31st December 2014

Liabilities	A	B	Assets	A	B
Share Capital: 7500 shares of ₹10 each	75,000	-	Goodwill	30,000	20,000
4550 shares of ₹10 each	-	45,500	Plant	18,300	13,450
Sundry Creditors	3,300	2,000	Land	10,000	-
Reserves	4,200	-	Stock in trade	16,000	11,550
Profit & Loss A/c	800	4,500	Sundry Debtors	7,500	6,000
			Cash	1,500	1,000
	83,300	52,000		83,300	52,000

Assuming that the assets and liabilities are worth at their book values, what amount each company will get? and Pass necessary journal entries in the books of the purchasing company and also prepare Balance Sheet of 'AB' Company Ltd.

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11. The following are the balances on 31.03.04 in the books of the Ernakulam Power and Light company Ltd.,

Particulars	₹	₹
Lands on 31.3.03	1,20,000	-
Lands expended during 2003-04	4,000	-
Machinery on 31.3.03	4,80,000	-
Machinery expended during 2003-04	4,000	-
Mains including cost of laying	1,60,000	-
Mains expended during 2003-04	40,800	-
Equity shares	-	4,39,200
Debentures	-	1,60,000
Sundry Creditors	-	800
Depreciation Fund A/c	-	2,00,000
Sundry debtors for Current supplied	32,000	-
Other debtors	400	-
Cash	4,000	-
Cost of generation of electricity	28,000	-
Cost of distribution of electricity	4,000	-
Rent rates and taxes	4,000	-
Management Expenses	9,600	-
Depreciation	16,000	-
Sale of current	-	1,04,000
Rent of Meters	-	4,000
Interest on Debentures	8,000	-
Interim dividend	16,000	-
Net Revenue A/c Balance on 31.3.03	-	22,800
	9,30,800	9,30,800

From the above Trail Balance, Prepare Revenue A/c, Net Revenue A/c, Capital A/c and General Balance Sheet.

12. From the following information given below. Prepare the consolidated balance sheet.

Liabilities	H.Ltd	S.Ltd	Assets	H.Ltd	S.Ltd
Share Capital (₹10 each)	5,00,000	1,00,000	Fixed assets	4,00,000	60,000
General Reserve	60,000	30,000	Stock	3,00,000	1,20,000
P & L A/c	2,00,000	60,000	Debtors	75,000	85,000
Creditors	1,10,000	60,000	Bills receivable	20,000	-
Bills payable	-	15,000	Shares in S Ltd., at at cost of (7,500 Shares)	75,000	-
	8,70,000	2,65,000		8,70,000	2,65,000

- i) The bills accepted by S Ltd., are all in favour of H Ltd.
- ii) The stock of H Ltd., includes ₹25,000 bought from S Ltd., at a profit to later of 20% on sales.
- iii) All the profits of S Ltd., has been earned since the shares were acquired by H Ltd., But here was already the reserve of ₹30,000 at the date.

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13. Define Non-Performing Assets. Give the RBI guidelines in determining when an asset becomes non performing.
