

M.Com. NEP Pattern Semester-I  
**NEP-223 / 01MCOM101 - Advanced Financial Accounting**

P. Pages : 6

Time : Three Hours



**GUG/S/24/15037**

Max. Marks : 80

- Notes : 1. All questions are compulsory.  
2. All questions carry equal marks.

1. a) Write meaning & objectives of social accounting. 16

**OR**

- b) Ajay Ltd. and Atul Ltd. Carrying on similar business agreed to amalgamation by transferring their undertaking to a new company Ajay-Atul Co. Ltd. 16

The balance sheets of the two companies as on the date of transfer were as follows.

Liabilities	Ajay Ltd. (Rs.)	Atul Ltd. (Rs.)	Assets	Ajay Ltd. (Rs.)	Atul Ltd. (Rs.)
Share Capital:			Land & Building	4,65,000	2,55,000
Equity shares of 100 each	5,00,000	3,00,000	Plant & Machinery	5,60,000	3,58,000
6% Perf. Shares of 100 each	5,00,000	2,50,000	Furniture & Fitting	79,000	34,000
5% Debentures	--	40,000	Stock	81,500	52,000
General Reserve fund	2,00,000	70,000	Debtors	56,000	24,600
Profit & loss A/c	1,15,000	55,000	Cash at Bank	87,000	22,500
Sundry Creditors	75,000	35,000	Cash in Hand	6,400	3,900
			Preliminary Exp.	55,100	--
	<b>13,90,000</b>	<b>7,50,000</b>		<b>13,90,000</b>	<b>7,50,000</b>

The term of agreement were as follows.

- a) The purchase consideration consisted of:
- The discharge of the debentures in Atul Ltd. at a premium of 5% by the issue of 7% debentures in Ajay-Atul Co. Ltd.
  - The issue of 10 equity shares of Rs. 10 each at a premium of Rs. 2 per share for each preference share held on both the companies.
  - The issue of 10 equity shares of Rs. 10 each at a premium of Rs. 2 per share and Rs. 22 in cash for each equity share in Ajay Ltd. And 5 equity shares of Rs. 10 each at a premium of Rs. 2 per share and Rs. 80 in cash for every equity share in Atul Ltd.
- b) Ajay -Atul Co. Ltd. All the assets and liabilities of the two companies were taken over at their book value except that a provision at 5% was to be raised on debtors.
- c) In order to raise working capital and to pay the purchase considerations. Ajay-Atul Co. Ltd. Decided to issue 30,000 equity shares of Rs. 10 each at a premium of Rs. 2.50 per shares.

You are required to:

- Prepare ledger accounts in the books of Ajay Ltd and.
- Show the opening balance sheet of Ajay-Atul Co. Ltd.

2. a) The balance sheet of Mr. Manikgad Co. Ltd. On 31<sup>st</sup> March. 2023 was as under.

16

Liabilities	Rs.	Assets	Rs.
Capital	5,00,000	Land & Building	3,60,000
General Reserve	2,00,000	Plant & Machinery	2,20,000
Creditors	1,60,000	Furniture & Fixtures	40,000
Bills payable	40,000	Stock	50,000
		Debtors	1,00,000
		Cash at Bank	1,30,000
	<b>9,00,000</b>		<b>9,00,000</b>

The profit of the business for the last five years ending 31<sup>st</sup> March. 2023 are:

Year	Rs
2019	1,60,000
2020	84,000
2021	90,000
2022	1,50,000
2023	1,00,000

The assets are revalued are as under:

Land & building	Rs. 4,00,000
Plant & Machinery	Rs. 1,50,000
Furniture & fixtures	Rs. 20,000

Mr. Manikgad is actively engaged in the business activities but he had not been charged his remuneration of Rs. 20, 000 p.a. nor he withdrawn profits from the business.

Find out the value of Goodwill by capitalization of super profit and average profit method. The normal rate of returns is 9% p.a.

**OR**

b) On 15<sup>th</sup> September, 2023 the premises of Alfa Ltd. Were destroyed by fire and stock of Rs. 88,300 was salvaged and retained by the insured. The business books and records were saved from which the following information was obtained.

16

Particulars	Rs.
Stock on 1 <sup>st</sup> April, 2022	Rs. 10,00,000
Stock on 31 <sup>st</sup> March, 2023	Rs. 14,00,000
Purchases for the year ended 31 <sup>st</sup> March, 2023	Rs. 90,00,000
Sales for the year ended 31 <sup>st</sup> march, 2023	Rs. 1,00,00,000
Purchases from 1 <sup>st</sup> April to 15 <sup>th</sup> September, 2023	Rs. 30,00,000
Sales for the above period	Rs. 40,10,000

In valuing the stock as on 31<sup>st</sup> March, 2023 Rs. 1,00,000 had been written off, certain stock having cost of Rs. 1,80,000.

Half of these goods were sold in June, 2023 for Rs. 1,00,000. The balance is estimated to be worth the original cost. Subject to the above exception, gross profit had remained at the uniform rate.

On 14<sup>th</sup> September, 2023 goods worth Rs. 80,000 had been received by the godown-keeper but had not been entered in Purchase A/c.

Show the amount of Claim.

3. a) The balance sheet of Minakshi Ltd. At 31<sup>st</sup> March, 2023 was as follows:

16

Liabilities	Rs.	Assets	Rs.
Share Capital		Goodwill	15,000
2,000 preference shares of Rs. 100 each	2,00,000	Freehold Properties	2,00,000
4,000 Equity Shares of Rs. 100 each.	4,00,000	Plant	3,00,000
5% Mortgage Debentures	2,00,000	Stock	1,50,000
Bank Overdraft	50,000	Debtors	40,000
Creditors	1,00,000	Profit & Loss A/c	2,45,000
	<b>9,50,000</b>		<b>9,50,000</b>

The company got the following scheme of reconstruction approved by the court:

- i) The preference shares to be reduced to Rs. 75 per share, fully paid.
- ii) The equity shares to be reduced by Rs. 62.50 per share.
- iii) The Debenture holders took over the stock and book debts in full satisfaction of the amount due to them.
- iv) The goodwill account to be eliminated.
- v) The Freehold properties to be depreciated by 50%.
- vi) The face value of plant to be increased by Rs. 50,000.
- vii) The profit & loss account to be eliminated.

Give the journal entries for the above purpose and prepare the revised balance sheet.

**OR**

b) Sanju Ltd. was incorporated on 1<sup>st</sup> January, 2023 with an authorized capital of Rs. 50,000 equity shares of Rs. 100 each to take over the running business of Manju Ltd. as from 1<sup>st</sup> October, 2022.

16

The following is the summarized profit & loss account for the year ended 30<sup>th</sup> September, 2023.

Particulars	Rs.	Rs.
<b>Sales:</b> 1 <sup>st</sup> October, 2022 to 31 <sup>st</sup> December, 2022	50,000	
1 <sup>st</sup> January, 2023 to 30 <sup>th</sup> September, 2023	2,00,000	
	-----	2,50,000
<b>Less:</b> Cost of Sales	1,60,000	
Administration Expenses	17,680	
Selling Commission	8,750	
Goodwill written off	2,000	
Interest paid to Vendors	3,730	
(Loan repaid on 1 <sup>st</sup> Feb., 2023)		
Distribution Expenses (60% variable)	12,500	
Depreciation	4,440	
Director's Expenses	1,000	
Preliminary Expenses	3,300	
Debentures Interest	3,200	
	-----	2,16,600
<b>Net Profit</b>		<b>33,400</b>

- i) The company deals with one type of product.
- ii) The unit cost of sales was reduced by 20% in the post- incorporation period as compared to the pre- incorporation period.
- iii) Apportion the net profit between pre and post incorporation periods showing the basis of apportionment.

4. a) Indo Ltd. Acquired 6,000 equity shares of Rs. 100 each in Bhor Ltd. on March 31<sup>st</sup>, 2023. **16**  
The summarized Balance sheet on Indo Ltd. and Bhor Ltd. as on that date were:

**Balance Sheets**  
**As on 31<sup>st</sup> March, 2023**

Liabilities	Indo Ltd. Rs.	Bhor Ltd. Rs.	Assets	Indo Ltd. Rs.	Bhor Ltd. Rs.
Capital Ac/ Authorised Share Capital	<b>40,00,000</b>	<b>12,00,000</b>	Fixed Assets	25,30,000	12,80,000
Issued and paid-up 60,000 Shares of Rs. 50 each	30,00,000	--	Investment in Bhor Ltd. at cost 6,000 shares of Rs. 100 each	10,00,000	--
8,000 share of Rs. 100 each	--	8,00,000	Stock in hand	2,50,000	50,000
Capital Reserve	--	3,40,000	Bills Receivable (including Rs. 10,000 from Bhor Ltd.)	20,000	--
General Reserve	2,00,000	1,00,000	Debtors	1,00,000	1,00,000
Profit & Loss A/c	5,00,000	1,00,000	Bank	1,00,000	70,000
Bills payable (including Rs. 10,000 to Indo Ltd)	--	35,000			
Sundry Creditors	3,00,000	1,25,000			
Contingent Liabilities: (Bills discounted of Indo Ltd. 1,20,000)					
	<b>40,00,000</b>	<b>15,00,000</b>		<b>40,00,000</b>	<b>15,00,000</b>

On 1-4-2022 Bhor Ltd. Utilized part of its Capital Reserve to make a Bonus issue of one share for every four shares held.

You are required to prepare the consolidated balance sheet as on 1-4-2023 and show, their in how your figures are made up.

**OR**

- b) Define Holding company and subsidiary company? How to prepare consolidated balance sheet. **16**
5. Write in short notes:
- a) Define 'Absorption' of companies. **4**
- b) Method of valuation of shares. **4**
- c) Internal & external reconstruction of companies. **4**
- d) Inter company owing. **4**

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सुचना :- 1. सर्व प्रश्न सोडविणे आवश्यक आहे.  
2. सर्व प्रश्नांना समान गुण आहे.

- |    |  |    |
|----|--|----|
| 1. | अ) सामाजीक लेखांकनाचा अर्थ आणि उद्दीष्ट सांगा.   | 16 |
|    | किंवा  |    |
|    | ब) इंग्रजी माध्यमानुसार.   | 16 |
| 2. | अ) इंग्रजी माध्यमानुसार.   | 16 |
|    | किंवा  |    |
|    | ब) इंग्रजी माध्यमानुसार.   | 16 |
| 3. | अ) इंग्रजी माध्यमानुसार.   | 16 |
|    | किंवा  |    |
|    | ब) इंग्रजी माध्यमानुसार.   | 16 |
| 4. | अ) इंग्रजी माध्यमानुसार.   | 16 |
|    | किंवा  |    |
|    | ब) सूत्रधार कंपनी आणि त्याची सहाय्यक कंपनी परिभाषित करा. एकत्रित ताळेबंध कसे तयार करतात. | 16 |
| 5. | थोडक्यात उत्तरे लिहा-  |    |
|    | अ) कंपनीचे संविलीयन परिभाषित करा.  | 4  |
|    | ब) अंशाचे मुल्यांकन करण्याच्या पध्दती सांगा.   | 4  |
|    | क) कंपन्यांचे अंतर्गत आणि बहिर्गत पुनर्निर्माण.  | 4  |
|    | ड) कंपनीचे आंतरिक ऋण. (Inter Company Owing)  | 4  |

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सुचनाएँ :- 1. सभी प्रश्न अनिवार्य हैं।  
2. सभी प्रश्नों के अंक समान हैं।

1. अ) सामाजिक लेखांकन का अर्थ एवं उद्देश्य बताइये। 16  
अथवा  
ब) अंग्रेजी माध्यम के अनुसार। 16
2. अ) अंग्रेजी माध्यम के अनुसार। 16  
अथवा  
ब) अंग्रेजी माध्यम के अनुसार। 16
3. अ) अंग्रेजी माध्यम के अनुसार। 16  
अथवा  
ब) अंग्रेजी माध्यम के अनुसार। 16
4. अ) अंग्रेजी माध्यम के अनुसार। 16  
अथवा  
ब) सूत्रधार कंपनी और उसकी सहयोगी कंपनी (Holding Co. & Subsidiary Co.) को परिभाषित किजीये। समेकित स्थितीविवरण (Consolidated Balance Sheet) कैसे तैयार करते हैं। 16
5. संक्षिप्त में लिखें-
- अ) कंपनी अवशोषण (absorption) परिभाषित किजीये। 4
- ब) अंश मूल्यांकन (Share valuation) की पद्धतियां बतला लिये। 4
- क) कंपनियों का अंतर्गत और बहिर्गत पुनर्निर्माण। (Internal & External Re-construction) 4
- ड) कंपनी का आंतरिक ऋण। (Inter Company Owing) 4

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