

**D 122446**

(Pages : 5)

Name.....

Reg. No.....

**SECOND SEMESTER M.Com. DEGREE (REGULAR/SUPPLEMENTARY)  
EXAMINATION, APRIL 2025**

(CBCSS)

M.Com.

MCM 2C06—ADVANCED CORPORATE ACCOUNTING

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

**Part A***Answer any **four** questions.**Each question carries 2 weightage.*

1. Who is Contributory ?
2. What do you mean by Reciprocal Holding ?
3. What is Deferred Tax ?
4. Explain Ex interest and Cum interest Quotations.
5. What do you mean by Inflation Accounting ?
6. What is Deficiency Account ?
7. What is Cost of Control?

(4 × 2 = 8 weightage)

**Part B***Answer any **four** questions.**Each question carries 3 weightage.*

8. How would do you deal with revaluation of assets and liabilities of subsidiary while preparing Consolidated Balance Sheet ?

**Turn over**

9. X Ltd. decided to sell its business to Z Ltd. On which date the Balance -Sheet of X Ltd. was as follows :

<i>Equity and Liabilities</i>	Rs.
Share Capital	5,00,000
5000 Equity shares of Rs. 10 each	1,00,000
14 % debentures	1,50,000
Creditors	90,000
Reserves	8,40,000

<i>Assets</i>	Rs.
Good will	60,000
Property	1,50,000
Plant	2,10,000
Stock	3,50,000
Cash	70,000
	8,40,000

Z Ltd. took over all assets except cash at their book value, goodwill at Rs. 1,00,000 and property at Rs. 1,80,000. Z Ltd. agreed to pay Rs. 90,000 in cash and balance in the form of fully paid equity shares at Rs.100. Expenses of liquidation were Rs. 15,000.

Show ledger accounts in the books of X Ltd. and Journal entries in the books of Z Ltd.

10. Rose Ltd. went into liquidation with the following liabilities.

Secured Creditors	Rs. 40,000
	(Securities realised Rs. 50,000)
Preferential Creditors	Rs. 1,200
Unsecured Creditors	Rs. 61,000
liquidation Expenses	Rs. 500

The liquidator is entitled to a remuneration of 3 % on amount realised (including securities in the hands of secured creditors) and 1.5 % on the amount distributed to unsecured creditors. The various assets (excluding the securities in the hands of secured creditors ) realised Rs. 52,000. Prepare the liquidator's final statement of account showing the payment made to unsecured creditors.

11. B and P Ltd. availed a lease from NS Ltd. :

The conditions of the lease terms are as follows :

- (a) Lease period is three years in the beginning of the year 2018, for equipment costing Rs. 10,00,000 and has as expected useful life of five years.
- (b) The fair market value is Rs. 10,00,000.
- (c) The property reverts back to the lessor on termination of lease.
- (d) Three equal annual payments are made at the end of each year (consider IRR, 10 %)

The present value of Re. 1 due at the end of third year at 10 percent rate of dividend is Rs. 0.7513.

The present value of annuity of Re. 1 at the end of year at 10 percent IRR is Rs. 2.4868.

State whether the lease constitute financial lease and also calculate unearned finance income.

12. Explain the major challenges in the successful implementation of forensic accounting in India.
13. Explain the important approaches used for valuation of Human Resource Accounting.
14. Give briefly the key advantages of CSR for the corporate sector.

(4 × 3 = 12 weightage)

### Part C

*Answer any two questions.*

*Each question carries 5 weightage.*

15. The ledger balances of X Co. as on 31<sup>st</sup> March 2021 are :

Fixed Assets Rs. 7,00,000 , Investment Rs. 10,000, Stock and Debtors Rs. 8,50,000, Equity share capital (60 % Paid) Rs. 6,00,000, 10 % first debentures Rs. 2,00,000 12 % second debentures Rs. 5,00,000, Bank Overdraft Rs. 50,000, Trade Creditors (including Y for Rs. 8,50,000) Rs. 11,50,000. Outstanding interest for one year on both types of debentures Rs. 80,000.

Due to heavy losses, the following reconstruction is agreed.

**Turn over**

- (a) To make the existing Rs.100 equity shares fully paid up and then to reduce them to Rs. 20 each.
- (b) To settle the claims of first debenture holders by issuing 2,000 13.5 % debentures of Rs. 100 each.
- (c) To discharge the claims of the second debenture holders by issuing 15 % 4,000 debentures of Rs. 100 each.
- (d) To pay Rs. 3,00,000 to Mr. Y in full settlement of his account.
- (e) To allot 15,000 fresh equity shares of Rs. 20 each to discharge the remaining trade creditors.
- (f) Market value of investment is Rs. 20,000
- (g) To write off the fictitious assets and to reduce the fixed assets.

Assuming all formalities are duly complied with, pass journal entries to give effect to the above scheme and prepare the post reconstruction Balance Sheet.

16. H Ltd. acquired 12000 equity shares in S Ltd. on 1.4.2015. The summarised Balance Sheets of H Ltd and subsidiary S Ltd. as on 31<sup>st</sup> March 2016 are as follows :

<i>Equity and Liabilities</i>	H Ltd (Rs.)	S Ltd (Rs.)
Preference Share capital	1,00,000	—
Equity share capital (Rs. 10 fully paid)	5,00,000	1,50,000
General Reserve	3,40,000	6,000
Surplus	3,60,000	1,08,000
Creditors	2,00,000	61,850
Bills payable		24,150
Total	15,00,000	3,50,000
<i>Assets</i>		
Land	3,56,000	70,000
Properties	3,76,000	40,000
Plant and Machinery	1,40,000	91,300
Investment in S Ltd.	1,80,000	—
Stock	1,36,000	50,600
Debtors and cash	3,12,000	98,100
Total	15,00,000	3,50,000

*The other information given are :*

- (a) On 1.4.2015 Surplus of S Ltd. stood at Rs. 77,500 and General Reserve at Rs. 3,000. Also H Ltd revalued plant and machinery of S Ltd. at the time of purchase of shares by Rs. 20,000 more than its book value (Ignore depreciation)
- (b) Stock of H Ltd. includes Rs. 8,000 of stock purchased from S Ltd. Further debtors of S Ltd. include Rs. 24,000 for sale to H Ltd, made a profit of Rs. 6,000
- (c) S Ltd. made a bonus issue during the year out of pre acquisition profits for Rs. 60,000 not recorded the books.

You are required to prepare Consolidated Balance Sheet of H Ltd. and its subsidiary S Ltd. as on 31.3.2016

17. Give a proforma of Statement of Affairs and the Deficiency /Surplus account with imaginary figures which complies with the requirements of the companies Act 2013.
18. Define leasing. Explain the different types of leases.

(2 × 5 = 10 weightage)

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(Pages : 5)

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**SECOND SEMESTER M.Com. DEGREE (REGULAR/SUPPLEMENTARY)  
EXAMINATION, APRIL 2024**

(CBCSS)

Master of Commerce

MCM 2C 06—ADVANCED CORPORATE ACCOUNTING

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

*Answer should be written in English Only.***Part A***Answer any **four** questions.**Each question carries 2 weightage*

1. What is pre-acquisition loss ?
2. What is purchase consideration ?
3. What is statement of affairs ?
4. What is tax temporary differences ?
5. An entity's PPE's carrying value - 11,80,000, Revalued at Rs. 15,38,000 ; Rate of tax 30 %. What is the deferred tax liability and the entry to be passed ?
6. What is sale and lease back ?
7. What is forensic accounting ?

(4 × 2 = 8 weightage)

**Part B***Answer any **four** questions.**Each question carries 3 weightage.*

8. Explain different types of mergers.

**Turn over**

9. In 2020, A Ltd had taxable profit of Rs. 2,20,000. In the previous year (2019) income tax on 2019 profits had been estimated as Rs. 60,000. Any under or over payments are not settled until the following year's tax payment is due.

What would be tax payable and the charge for 2020 if the tax due on 2019 profits was subsequently agreed with the tax authorities as :

- (a) Rs. 70,000 or (b) Rs. 50,000 (assume a 30 % tax rate). Calculate the tax charge and liability.

10. Differentiate between operating lease and financial lease.
11. What are the different forms of environmental accounting ?
12. A firm had Rs. 2,00,000 as cash at bank on 01/04/2019. The consumer price index on that date was 200. During the year ended 31/03/2020, the receipts and payments were stated below :

<i>Date</i>	<i>Receipts</i>	<i>Rs.</i>	<i>Index</i>
June 1	Sales	1,05,000	210
January 15	Sales	3,45,000	230
September 15	Costs	2,15,000	215
November 20	Costs	1,50,000	240
December 1	Costs	2,00,000	225

Ascertain the profit or loss on account of price changes. The year ended index was 240.

13. The following scheme of reconstruction has been approved for Win Ltd.
- (i) The shareholders to receive in lieu of their present holding at 1,00,000 shares of Rs.10 each, the following.
- (a) New fully paid Rs. 10 equity shares equal to  $\frac{3}{5}$ <sup>th</sup> of their holding.
- (b) 10 % preference shares fully paid to the extent of  $\frac{1}{5}$ <sup>th</sup> of the above new equity shares.
- (c) Rs. 40,000, 8 % debentures.
- (ii) An issue of Rs. 1 lakh 10 % first debentures was made and allotted, payment for the same being received in cash forthwith.
- (iii) Goodwill which stood at Rs. 1,40,000 was completely written off.

- (iv) Plant and machinery which stood at Rs. 2,00,000 was written down to Rs. 1,50,000.
- (v) Freehold property which stood at Rs. 1,50,000 was written down by Rs. 50,000. Draw up the necessary journal entries in the books of Win Ltd.

14. Explain the concept of CPPA.

(4 × 3 = 12 weightage)

### Part C

Answer any **two** questions.

Each question carries 5 weightage.

15. Balance sheets of A Ltd. and B Ltd. on 31<sup>st</sup> March 2019 were as follows :

	Rs. In thousands	
	A Ltd.	BLtd.
<b>I Equity and Liabilities</b>		
1 Shareholders' funds		
(a) Share capital		
50,000 preference shares of Rs. 10 each	5,000	—
15,00,000 equity shares of Rs. 10 each	15,000	—
4,00,000 equity shares of Rs. 10 each	—	4,000
(b) Reserves and surplus		
General reserves	8,000	—
Surplus account	900	320
2 Current liabilities		
Creditors	500	210
<i>Total equity and liabilities</i>	<u>29,400</u>	<u>4,530</u>

Turn over

	Rs. In thousands	
	A Ltd.	BLtd.
<b>II Assets :</b>		
1 Non-current assets		
(a) Fixed assets		
Land and building	6,000	—
Plant and machinery	15,500	
Furniture	—	250
Motor vehicles	—	400
Intangible assets	—	—
Goodwill	—	700
Patents	2,000	—
(b) Investments	1,150	—
2 Current assets		
Stocks	3,500	2,390
Debtors	800	620
Cash at Bank	450	170
<i>Total assets</i>	<u>29,400</u>	<u>4,530</u>

A new company C Ltd. was formed to acquire the assets and liabilities of A Ltd. and B Ltd. The terms of acquisition of business were as under

- (a) C Ltd. to have an authorized capital of Rs. 3,50,00,000, divided into 50,000 13 % preference shares of Rs.100 each and 30,00,000 equity shares of Rs. 10 each.
- (b) Business of A Ltd. valued at Rs.3,00,00,000, settlement being Rs. 60,00,000 cash and balance by issue of fully paid-up equity shares at Rs. 12.
- (c) Business of B Ltd. valued at Rs. 48,00,000 to be satisfied by issue of fully paid equity shares at Rs. 12.

- (d) Preference shares of A Ltd. were redeemed.
- (e) C Ltd. made a public issue of 30,000 preference shares at par and 3,00,000 equity shares at Rs.12. The whole issue was fully subscribed and fully paid up.

Prepare balance sheet of C Ltd. on the assumption that amalgamation in the nature of purchase (pass necessary entries also).

16. In 2001, M/s. Wye Ltd. issued 12 % fully paid debentures of Rs. 100 each, interest being payable half yearly on 30<sup>th</sup> September and 31<sup>st</sup> March of every accounting year. On 1<sup>st</sup> December, 2002, M/s. Bull & Bear purchased 10,000 of these debentures at Rs. 101 cum-interest prices, also paying brokerage @ 1 % of cum-interest amount of the purchase. On 1st March, 2003, the firm sold all of these debentures at Rs.106 cum-interest price, again paying brokerage @ 1 % of cum-interest amount. Prepare Investment Account in the books of M/s. Bull & Bear for the period 1<sup>st</sup> December, 2002 to 1<sup>st</sup> March, 2003.
17. Bekar Ltd. went in to voluntary liquidation. The details regarding liquidation are as follows.

Share capital

- (a) 2,000, 8 % preference shares of Rs. 100 each (fully paid up).
- (b) Class A - 2,000 Equity shares of Rs. 100 each (Rs. 75 paid up).
- (c) Class B - 1,600 equity shares of Rs. 100 each (Rs. 60 paid up).
- (d) Class C - 1,400 equity shares of Rs. 100 each (Rs. 50 paid up).

Assets including machinery realized Rs. 4,20,000. Liquidation expenses amount to Rs. 15,000. Bekar Ltd. has borrowed a loan of Rs. 50,000 from Patel brothers against the mortgage of machinery (which realized Rs. 80,500). In the books of the company, salary for four clerks for four months at a rate of Rs. 250 per month and salaries of four peons for three months at a rate of Rs. 150 per month are outstanding. In addition to this, the company's books show the creditors worth Rs. 88,200. Prepare liquidators statement of Receipts and payments.

18. Define social responsibility accounting. Explain in detail its scope and approaches.

(2 × 5 = 10 weightage)

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EXAMINATION, APRIL 2023

(CBCSS)

M.Com.

MCM 2C 06—ADVANCED CORPORATE ACCOUNTING

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

**Part A**

*Answer any **four** questions.  
Each question carries 2 weightage.*

1. What is consolidated financial statement ?
2. What is non-controlling interest ?
3. What is compulsory winding up ?
4. What is deferred tax liability ?
5. P Ltd. Having 8000 shares of Rs. 10 each fully paid up decides to return its member Rs. 3 per share and make shares as Rs. 7 each fully paid up. Write the journal entry.
6. What is operating lease ?
7. Define human resource accounting ?

(4 × 2 = 8 weightage)

**Part B**

*Answer any **four** questions.  
Each question carries 3 weightage.*

8. Differentiate between merger and acquisition.

**Turn over**

9. The following is the summarized balance sheet of X Ltd as on 31<sup>st</sup> March 2019 :

<i>Liabilities</i>	Rs.	<i>Assets</i>	Rs.
12,000, 10 % preference shares of Rs. 100 each	12,00,000	Goodwill	90,000
24,000 equity shares of Rs. 100 each	24,00,000	Land and Building	12,00,000
10 % Debentures	6,00,000	Plant and Machinery	18,00,000
Bank overdraft	6,00,000	Stock	2,60,000
Sundry creditors	3,00,000	Debtors	2,80,000
		Cash	30,000
		Profit and Loss A/c	14,00,000
		Preliminary expenses	40,000
	51,00,000		51,00,000

On the above date, the company adopted the following scheme of reconstruction.

- 1 The equity shares are to be reduced to shares of Rs. 40 each fully paid up and preference shares are to be reduced to fully paid shares of Rs. 75 each.
- 2 The debenture holder took over the stock and debtors in full satisfaction of their claim.
- 3 The land and building are to be appreciated by 30 % and the plant and machinery is to be depreciated by 30 %.
- 4 The fictitious and intangible assets are to be eliminated.
- 5 Expenses on reconstruction amounted to Rs. 5,000.

Give journal entries incorporating the above scheme of reconstruction.

10. What are the different types of leases ?

11. From the data below, calculate the gearing adjustment required under CCA.

	Opening	Closing
Convertible debentures	200	240
Bank overdraft	120	160
Cash	20	60
Paid-up share capital	300	400
Reserves	100	160

Cost of sales adjustment	40
Monetary working capital adjustment	30
Depreciation adjustment	<u>10</u>
Total of Adjustment	80

12. Explain the scope of social responsibility accounting.
13. X Ltd (the lessee) entered into a lease agreement with Y Ltd., (the lessor) to purchase a machinery for Rs. 12,00,000 on 1<sup>st</sup> April 2019 (FMV of the asset as on 1<sup>st</sup> April 2019 Rs. 15,00,000). The lease agreement provided for the following terms Lease tenure - 36 months rate of interest - 10 % Annual lease rental - Rs. 5,00,000 guaranteed residual value - Rs. 2,00,000 Calculate the unearned finance income.
14. What are the different adjustments needed under CCA ?

(4 × 3 = 12 weightage)

**Part C***Answer any two questions.**Each question carries 5 weightage.*

15. Z Ltd went into voluntary liquidation on 31<sup>st</sup> December 2019. Balance sheet of the company as on that date stood as follows :

<b>I. Equity and Liabilities</b>		
i) Share capital		
20,000, 10 % cumulative preference shares of Rs. 100 each, fully paid up	20,00,000	
10,000 equity shares of Rs. 100 each, Rs. 75 paid up	7,50,000	
30,000 equity shares of Rs. 100 each, Rs. 60 paid up	<u>18,00,000</u>	45,50,000
ii) Reserves and surplus		
Surplus Account (Negative balance)		(11,25,000)

**Turn over**

iii) Non-current liabilities		
15 % debentures secured by floating charge		10,00,000
iv) Current liabilities		
Trade payables	12,75,000	
Outstanding interest on debentures	<u>1,50,000</u>	<u>14,25,000</u>
<b>Total</b>		<b><u>58,50,000</u></b>
<b>II. Assets</b>		
i) Non-current assets		
Land and Building	10,00,000	
Plant and Machinery	25,00,000	
Furniture and Fixtures	<u>4,00,000</u>	<u>39,00,000</u>
ii) Current Assets		
Stock	5,50,000	
Trade Receivables	11,00,000	
Cash and Bank balance	3,00,000	<u>19,50,000</u>
<b>Total</b>		<b><u>58,50,000</u></b>

## Other information :

- i) Preference share dividends are in arrears for the last two years.
- ii) Trade payable include preferential creditors of Rs. 1,52,000.
- iii) The assets were sold and realized as follows : Land and Building : Rs. 12,00,000, Plant and Machinery : Rs. 20,00,000, Furniture and Fixtures : Rs. 3,00,000, Stock : Rs. 6,00,000, Trade Receivables : Rs. 8,00,000.
- iv) Expenses of liquidation were Rs. 1,09,000.
- v) Liquidator is entitled to receive commission of 3 % on assets realized except cash.
- vi) Preference shareholders have right to dividend at the time of liquidation.
- vii) The final payment including those on debentures is made on 30<sup>th</sup> June, 2019. Prepare liquidators' final statement of account

16. P Ltd is the holding company of Q Ltd. The balance sheets of both companies as on 31st march 2019 is given below :

	P Ltd	Q Ltd
<b>I. Equity and Liabilities</b>		
1 Shareholders fund		
a) Share capital (Shares of Rs. 10 each)	2,50,000	50,000
b) Reserves and surplus		
General reserves (01-04-2018)	1,05,000	25,000
Profit and loss a/c (01 -04-2018)	22,500	10,000
Profit for the year	42,500	11,250
2 Current Liabilities		
Sundry creditors	60,000	23,000
Bills payable	20,000	15,000
<b>Total equity and Liabilities</b>	<b>5,00,000</b>	<b>1,34,250</b>
<b>II. Assets</b>		
1 Non-current assets		
Tangible assets		
a) Fixed assets		
Land and Building	1,00,000	25,000
Plant and machinery	1,25,000	25,000
Goodwill	75,000	17,500
b) Investments	50,000	
2. Current assets		
Debtors	75,000	33,625
Bills receivables	5,000	7,500
Inventory	50,000	10,125
Bank	15,000	12,500
Cash	5,000	3,000
<b>Total Assets</b>	<b>5,00,000</b>	<b>1,34,250</b>

Turn over

P Ltd acquired 3,000 shares of Q Ltd of the face value of Rs. 10 each at a price of Rs. 42,500 on 01-04-2018. Out of the debtors and bill receivable of P Ltd Rs. 12,500 and Rs. 4,000 respectively, represented those due from Q Ltd. the stock in the hands of Q Ltd includes goods purchased from P Ltd at Rs. 5,000 which includes profit charged by P Ltd at 25 % on cost. Both the companies have proposed 10 % dividend for 2018-19. Prepare a consolidated balance sheet.

17. Blue Ltd and Star Ltd were amalgamated on and from 1<sup>st</sup> April 2019. A new company called Yellow star Ltd. was formed to take over the business of the above said companies. Balance sheets of Blue Ltd. and Star Ltd. as on 31<sup>st</sup> March 2019 are given under :

	Blue Ltd	Star Ltd
<b>I. Equity and Liabilities</b>		
1. Shareholders fund		
a) Share capital		
15 % preference shares of Rs. 100 each	800	600
Equity shares of Rs. 100 each	2,000	1,600
b) Reserves and surplus		
Revaluation reserves	200	160
General reserves	400	300
Surplus account	160	120
2. Non- current liabilities		
12 % debentures of Rs. 100 each	192	160
3. Current liabilities	<u>408</u>	<u>190</u>
<b>Total equity and Liabilities</b>	<u>4,160</u>	<u>3,130</u>
<b>II. Assets</b>		
1. Non-current assets		
Fixed assets	2,400	2,000
2. Current assets	<u>1,760</u>	<u>1,130</u>
<b>Total Assets</b>	<u>4,160</u>	<u>3,130</u>

- i) Preference shareholders of Blue Ltd. and Star Ltd. have received same number of 15 % preference shares of Rs. 100 each in the new company.
- ii) 12 % debentures of Blue Ltd. are discharged by the new company by issuing adequate number of 16 % debentures of Rs. 100 each to ensure that they continue to receive the same amount of interest.
- iii) Yellow star Ltd. has issued 1.5 equity shares for each equity share of Blue Ltd. and 1 equity share for each equity share of star Ltd.

The face value of shares issued by Yellow star Ltd. is Rs. 100 each Prepare the balance sheet of Yellow star Ltd. as on 1<sup>st</sup> April 2019 after the amalgamation has been carried out using the pooling of interest method.

18. What is forensic accounting ? Explain the importance and benefits of forensic accounting ?

(2 × 5 = 10 weightage)

C 24564

(Pages : 7 + 4 = 11)

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**SECOND SEMESTER M.Com. DEGREE (CBCSS—SDE/PRIVATE)  
EXAMINATION, APRIL 2022**

M.Com.

MCM 2C 06—ADVANCED CORPORATE ACCOUNTING

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

**Part A**

*Answer any **four** questions.  
Each question carries 2 weightage.*

1. What is a holding company ?
2. What is business combination ?
3. Who are preferential creditors ?
4. What is tax base ?
5. A Ltd. acquires a group for Rs. 47,000,00. It is going to sell one division ; no selling cost will be incurred. Its fair value less cost to sell is 6,50,000. For the remaining business, assets are worth Rs. 46,00,000 and liabilities are worth Rs. 10,70,000 and contingent liabilities are worth Rs. 1,75,000. Calculate the amount of goodwill ?
6. What is finance lease ?
7. What is social responsibility accounting ?

(4 × 2 = 8 weightage)

**Part B**

*Answer any **four** questions.  
Each question carries 3 weightage.*

8. Explain different methods used for calculating purchase consideration ?
9. What are the objectives of internal reconstruction ?
10. Explain the benefits of forensic accounting.
11. Differentiate between cum interest and ex-interest.

**Turn over**

12. Following is the balance sheet of ABC Ltd. As on 31 -3-2019 :

<i>Liabilities</i>	Rs.	<i>Assets</i>	Rs.
Equity shares of Rs.100 each	.. 1,00,00,000	Fixed assets	.. 1,25,00,000
12 % preference shares of		Investments (Market value	
Rs.100 each	.. 50,00,000	Rs. 9,50,000)	.. 10,00,000
10 % debentures of Rs. 100 each	.. 40,00,000	Current assets	.. 1,00,00,000
Sundry creditors	.. 50,00,000	Profit and Loss Account	.. 4,00,000
Provision for taxation	.. 1,00,000	Preliminary expenses	.. 2,00,000
	<hr/>		<hr/>
	2,41,00,000		2,41,00,000
	<hr/>		<hr/>

The following scheme of reorganization is sanctioned :

- (a) All the existing equity shares are reduced to Rs. 40 each.
- (b) All preference shares are reduced to Rs. 60 each.
- (c) The rate of interest on debenture is increased to 12 %. The debenture holders surrender their existing debentures of Rs. 100 each and exchange the same for fresh debentures of Rs.70 each for every debenture held by them.
- (d) One of the creditors of the company to whom the company owes Rs. 20,00,000 decides to forgo 40% of his claims. He is allotted 30,000 equity shares of Rs. 40 each in full satisfaction of his claim.
- (e) Fixed assets are to be written down by 30 %.
- (f) Current assets are to be re-valued at Rs. 45,00,000.
- (g) The taxation liability of the company is settled at Rs. 1,50,000.
- (h) Investments to be brought to their market value.
- (i) It is decided to write off the fictitious assets.

Pass journal entries.

13. From the following information, calculate cost of sales and closing stock under Historical and CCA system

Opening stock of raw material on 1-1-2019 (200 tons@40/ton - Rs. 8,000.

Purchased during the year 2019 - Nil

Material consumed during the year 2019 - 160 tonnes.

Price of raw material on 1-1-2019 - Rs. 50 / tonne.

Average price during the year 2019 - Rs. 60 / tonne

Price of raw material on 31-12-2019 - Rs. 70 / tonne

14. Lease period 5 years. Annual lease rent of a property is Rs. 80,000 at the end of each year. Guaranteed residual value is Rs. 28,000. Fair value at the beginning of lease is Rs. 3,00,000. Interest rate implicit on lease is 12.6 %. the present value factors at 12.6 % are 0.89, 0.79, 0.7, 0.622, 0.552 at the end of first,second,third,fourth and fifth year respectively. Show the journal entry to record the asset taken on finance lease in the books of the lessee.

(4 × 3 = 12 weightage)

### Part C

*Answer any two questions.  
Each question carries 5 weightage.*

15. The balance sheet of A Ltd. and B Ltd. As at 31<sup>st</sup> March 2019 were as under

	A Ltd.	B Ltd.
<b>I Equity and Liabilities</b>		
(1) Shareholders fund		
(a) Share capital (shares if Rs. 10 each)	9,00,000	3,00,000
(b) Reserves and Surplus		
General Reserves	5,00,000	30,000
Profit and Loss Account	6,00,000	2,00,000
(2) Current liabilities		
Sundry Creditors	<u>1,00,000</u>	<u>1,70,000</u>
<b>Total equity and liabilities</b>	<b>21,00,000</b>	<b>7,00,000</b>

Turn over

## II Assets

(1) Non-current assets		
(a) Fixed assets	9,00,000	4,00,000
(b) Investments	6,00,000	
(2) Current assets		
(a) Debtors	1,60,000	90,000
(b) Inventory	2,10,000	1,20,000
(c) Cash and bank	<u>2,30,000</u>	<u>90,000</u>
Total assets	21,00,000	7,00,000

A ltd acquired 75 % of B Ltd's shares at Rs. 6,00,000 on 1<sup>st</sup> July 2018. B Ltd., had an opening balance of Rs. 1,00,000 in profit and loss account from which it paid dividend for 2018-19 at 20 % on 30<sup>th</sup> September 2018. The dividend received by the A ltd is included in the profit and loss account.

Inventory of A Ltd. includes Rs. 20,000 out of purchases of Rs. 50,000 made from B Ltd. in January 2019. Credit period is 90 days. B Ltd. had sold these items at a margin of 25 % on cost. There has been no change in the general reserve account of B Ltd. during 2018-19. Prepare consolidated balance sheet as at 31st march 2019.

16. On 31<sup>st</sup> march, 2019, Thin Ltd. was absorbed by Thick Ltd., the later taking over all the assets and liabilities of the former at book values. The consideration for the business was fixed at Rs. 4,00,000 to be discharged by the transferee company in the form of its fully paid equity shares of Rs. 10 each, to be distributed among the shareholders of transferor company, each shareholder getting two shares for every share held in the transferor company. Balance sheets taken from the books of the two companies as on 31<sup>st</sup> march 2019 stood as under.

	<i>Thick Ltd.</i>	<i>Thin Ltd.</i>
I Equity and liabilities :		
1 Shareholders fund :		
(a) Share capital; authorized	(15,00,000)	(5,00,000)
Issued and subscribed : equity		
Shares of Rs. 10 each	9,00,000	2,00,000

(b) Reserves and surplus		
General reserves	1,80,000	50,000
Surplus account	20,502	12,900
Workmen's compensation fund	12,000	9,000
Staff provident fund	10,200	4,000
2 Non- current liabilities		
Sundry creditors	58,567	30,456
Provision for taxation	12,300	5,000
<b>Total equity and Liabilities</b>	<b>11,93,569</b>	<b>3,11,356</b>
II Assets		
1 Non- current assets		
(a) Fixed assets :		
Plant and machinery	4,12,000	1,00,000
Furniture	80,000	30,000
(b) Goodwill	2,00,000	60,000
2 Current assets :		
Stock in trade	2,65,500	60,000
Sundry debtors	2,21,200	46,000
Cash in hand	869	356
Cash at bank	14,000	8,300
Prepaid insurance		700
Income tax refund claim		6,000
<b>Total assets</b>	<b>11,93,569</b>	<b>3,11,356</b>

Amalgamation expenses amounting to Rs. 1,000 were paid by Thick Ltd. Prepare the balance sheet of Thick Ltd. after the amalgamation in the nature of merger.

Turn over

17. Following is the balance sheet of X Ltd. as on 31<sup>st</sup> march 2019 :

I Equity and Liabilities :

1 Shareholders fund :

(a) Share capital :

8,000 equity shares of Rs. 100 each, Rs. 60 per share paid up 4,80,000

14 % 4,000 preference shares of Rs. 100 each fully paid up 4,00,000

(b) Reserves and Surplus:

Surplus A/C (Negative balance) – 2,40,000

2 Non-current liabilities

Secured loans

(a) 14 % debentures(having floating charges on all assets) 2,30,000

(b) Interest accrued on debentures 32,200

(c) Loan on mortgage of land and building 1,50,000

3 Current liabilities

Sundry creditors 1, 17,800

**Total equity and Liabilities** 11, 70,000

II. Assets

1 Non- current assets

(a) Fixed assets :

Land 40,000

Building 1,60,000

Plant and machinery 5,40,000

Intangible assets : Patents 40,000

2 Current Assets :

Stock at cost 1,00,000

Debtors 2,30,000

Cash at bank 60,000

**Total Assets** 11,70,000

On 31-3-2019, the company went into liquidation. The dividend on 14% preference shares was in arrears for one year. Sundry creditors include preferential creditors amounting to Rs. 30,000.

The assets realized the following sums :

Land Rs. 80,000, Building Rs. 2,00,000, Plant and Machinery Rs. 5,00,000, Plant Rs. 50,000, stock Rs. 1,60,000, Sundry debtors Rs. 2,00,000.

The expenses of liquidation amounted to Rs.29,434. The liquidator is entitled to a commission of 2% on all assets realized (except cash at bank) and 2% on amount distributed among unsecured creditors other than preferential creditors. All payments were made on 30th June 2019. Interest on mortgage loan shall be ignored at the time of payment.

Prepare Liquidator's final statement.

18. Define Human Resource Accounting. What are its objections? Explain various approaches of HRA ?

(2 × 5 = 10 weightage)

C 23291

(Pages : 6)

Name.....

Reg. No.....

**SECOND SEMESTER M.Com. DEGREE (REGULAR/SUPPLEMENTARY)  
EXAMINATION, APRIL 2022**

**April 2021 Session for SDE/Private Students**

(CBCSS)

Master of Commerce

MCM 2C 06—ADVANCED CORPORATE ACCOUNTING

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

**General Instructions**

**Covid Instructions are not applicable for Pvt/SDE students**

1. *In cases where choices are provided, students can attend **all** questions in each section.*
2. *The minimum number of questions to be attended from the Section / Part shall remain the same.*
3. *The instruction if any, to attend a minimum number of questions from each sub section / sub part / sub division may be ignored.*
4. *There will be an overall ceiling for each Section / Part that is equivalent to the maximum weightage of the Section / Part.*

**Part A**

*Answer any **four** questions.*

*Each question carries 2 weightage.*

1. What is Forensic Accounting ?
2. What is Finance Lease ?
3. What do you mean by 'Deficiency Account' ?
4. Who is Contributory ?
5. Define Environment Accounting.
6. What is Non-Controlling interest ?
7. Explain the term 'Conglomerate Merger'.

(4 × 2 = 8 weightage)

**Turn over**

**Part B**

*Answer any four questions.  
Each question carries 3 weightage.*

8. Information relating to two Companies is as follows :

	A Ltd	B Ltd
Number of Shares	50,000	25,000
Profit after Tax	Rs. 3,00,000	Rs. 1,00,000
EPS	Rs. 6	Rs. 4

A Ltd is considering the purchase of B Ltd in exchange of one share in A Ltd for every two shares held in B Ltd. You are required to show the impact of merger on earnings per share assuming that there would be synergy benefits equal to 20 percentage increase in the present earnings after tax due to merger.

9. The over-Confident Ltd went into liquidation with the following liabilities :

Secured Creditors Rs. 20,000 (Securities realised Rs. 25,000)

Preferential Creditors Rs. 600

Unsecured Creditors Rs. 30,500

Liquidation expenses in connections with liquidation amounted to Rs. 252. The liquidator is entitled to a remuneration of and three percent on every amount realised and one and half percent on amount distributed to unsecured creditors except preferential creditors. The various assets (excluding securities in the band of fully secured Creditors) realised Rs. 26,000.

Prepare Liquidator's Final Statement of Account.

10. H Ltd acquired 20,000 (4/5) equity shares of S Ltd of Rs. 100 each on 31<sup>st</sup> March 2020. Balance Sheets of H Ltd and S Ltd as on 31st March 2021 were as follows :

	H Ltd (Rs.)	S Ltd (Rs.)
<b>I. Equity and Liabilities :</b>		
<b>A) Shareholders Funds :</b>		
a) Share Capital shares of Rs. 100 each	80,00,000	25,00,000
b) Reserves and Surplus Reserves	30,00,000	5,00,000
Surplus account	10,00,000	1,00,000
<b>B) Current Liabilities :</b>		
Creditors	20,00,000	5,00,000
<b>Total equity and Liabilities</b>	<b>1,40,00,000</b>	<b>45,00,000</b>

	H Ltd (Rs.)	S Ltd (Rs.)
II. Assets :		
1) Non-Current Assets :		
a) Fixed Assets	70,00,000	25,00,000
b) Investments (20,000 shares in 'S' Ltd)	30,00,000	
2) Current Assets	40,00,000	20,00,000
Total Assets	1,40,00,000	45,00,000

S Ltd had a credit balance of Rs. 5,00,000 in the reserves and Rs. 2,00,000 in the surplus account when H Ltd acquired the shares in S Ltd. S Ltd issued bonus shares at one for every five shares held out of post acquisition profits. Prepare Consolidated Balance Sheet.

11. R Ltd (Lessee) acquired a machinery on lease from S Ltd (Lessor) on January 1<sup>st</sup> 2018. The lease term covers the entire economic life of the machinery; that is, 3 years. The fair value of machinery on January 1<sup>st</sup> 2018 is Rs. 3,50,000. The lease agreement requires the lessee to pay amount of Rs. 1,50,000 per year beginning December 31<sup>st</sup> 2018. The lessee has guaranteed a residual value of Rs. 11,400 on December 31<sup>st</sup> 2020 to the lessor. The lessor however estimates that the machinery will have a salvage value of only Rs. 10,000 on December 31<sup>st</sup> 2020. The implicit rate of interest is 15% per annum. Compute the value of machinery to be recognised by the lessee and also the finance charges every year on the basis of a Indian A.S.-17 PV factor of 15% in three years is 2.283.
12. What do you mean by inflation accounting ? Give its advantages and disadvantages.
13. Explain the objectives of Human Resource Accounting.
14. Explain the techniques used by forensic accountant to examine frauds.

(4 × 3 = 12 weightage)

### Part C

*Answer any two questions.  
Each question carries 5 weightage.*

15. Following information is extracted from the books of limited company on June 30, 2012 on which date a winding up order was made.

		Rs.
Cash in hand	..	4,050
Book debts	Rs.	
Good	.. 75,000	
Doubtful (Estimated to produce 40%)	..	15,000

**Turn over**

Bad	9,000	99,000
Stock in trade (estimated to produce 1,19,350)	..	1,44,000
Freehold Land and Buildings (estimated to produce 3,91,000)	..	3,30,000
Plant and Machinery (estimated to produce 1,06,000)	..	1,50,000
Fixtures and Fittings (estimated to produce 15,000)	..	25,000
Equity shares capital 40,000 shares of Rs.10 each	..	4,00,000
10% preference shares capital 6,000 shares of Rs.100 each	..	6,00,000
Calls in arrears on equity shares (estimated to produce 4,000)	..	8,000
9% first mortgage debentures, secured by a floating charge on whole assets of company	..	4,00,000
Creditors fully secured (value of shares in A Ltd Rs. 80,000)	..	70,000
Creditors partly secured (value of shares in B Ltd Rs. 40,000)	..	80,000
Preferential creditors.	..	15,000
Bank OD secured by a second charge on whole of the assets of the company	..	40,000
Unsecured Creditors	..	5,20,000
Estimated liability on bills discounted	..	20,000
Prepare statement of Affairs.		

16. The ledger balances of X Co. as on 31<sup>st</sup> March 2021 are as follows :

Fixed Assets Rs.7,00,000, Investment Rs. 10,000 Stock and Debtors Rs. 8,50,000, Equity share capital (60% paid) Rs. 6,00,000 10% first Debentures Rs. 2,00,000,12% second Debentures Rs. 5,00,000,Bank Overdraft Rs. 50,000, Trade Creditors (including Y for Rs. 8,50,000) Rs. 11,50,000. Outstanding interest for one year on both types of debentures Rs. 80,000.

Due to heavy losses, the following scheme of reconstruction is agreed.

- a) To make the existing Rs. 100 equity shares fully paid up and then to reduce them Rs. 20 each.
- b) To settle the claims of first debenture holders by issuing 2,000, 13.5% debenture of Rs. 100 each.
- c) To discharge the claims of second debenture holders by issuing 15% 4000 debentures of Rs. 100 each.
- d) To pay Rs. 3,00,000 to Mr.Y in full settlement of his account.

- e) To allot 15000 fresh equity shares of Rs. 20 each to discharge the remaining trade creditors.  
 f) Market value of investment is Rs. 20,000 and  
 g) To write off the fictitious assets and to reduce the fixed assets.

Assuming all formalities are duly complied with, pass necessary journal entries to give effect to the above scheme and prepare the post reconstruction Balance Sheet.

17. The following Balance Sheets are presents to you as on 31<sup>st</sup> March 2021.

	H Ltd (Rs.)	S Ltd (Rs.)
<b>I. Equity and Liabilities :</b>		
1) Share holders Funds :		
a) Share capital shares of Rs. 100 each	5,00,000	2,00,000
b) Reserves and Surplus :		
General Reserves	1,00,000	
Surplus account	80,000	
2) Non-Current Liabilities		-1,00,000
6% Debentures	—	
3) Current Liabilities :		1,00,000
Trade creditors	75,000	45,000
Loan from H Ltd	—	50,000
<b>Total equity and Liabilities</b>	<b>7,55,000</b>	<b>2,95,000</b>
<b>II. Assets :</b>		
1) Non-Current Assets :		
a) Fixed Assets	3,03,000	2,00,000
b) Investments		
6% debentures in S Ltd of par	60,000	
1500 shares in S Ltd at Rs. 80	1,20,000	
2) Current Assets :		
Stock	90,000	40,000
Debtors	60,000	30,000
Bank	75,000	25,000
Loan to S Ltd	47,000	
<b>Total Assets</b>	<b>7,55,000</b>	<b>2,95,000</b>

**Turn over**

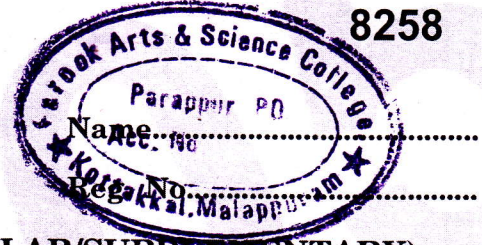
H Ltd acquired the shares on August 1st 2020. Surplus Account showed a debit balance of Rs. 1,50,000 on April 1st 2020. During June 2020 goods costing Rs. 6,000 were destroyed by fire and insurer paid only Rs. 2,000. Trade creditors of S Ltd include Rs. 20,000 for goods supplied by H Ltd on which the later company made a profit of Rs. 2,000. Half of the goods were still in stock. The difference in amount in loan account of H Ltd and S Ltd is due to interest not yet recorded in the books of H Ltd. Prepare Consolidated Balance Sheet.

18. Discuss briefly the important approaches to the valuation of human resources.

(2 × 5 = 10 weightage)

C 4693

(Pages : 4)



**SECOND SEMESTER M.Com. DEGREE (REGULAR/SUPPLEMENTARY)  
EXAMINATION, APRIL 2021**

(CBCSS)

M.Com.

MCM 2C 06—ADVANCED CORPORATE ACCOUNTING

(2019 Admissions)

Time : Three Hours

Maximum : 30 Weightage

**General Instructions**

1. *In cases where choices are provided, students can attend **all** questions in each section.*
2. *The minimum number of questions to be attended from the Section / Part shall remain the same.*
3. *There will be an overall ceiling for each Section / Part that is equivalent to the maximum weightage of the Section / Part.*

**Part A**

*Answer any **four** questions.  
Each question carries 2 weightage.*

1. What is non-controlling interest ?
2. Define Social Responsibility Accounting.
3. What is Current Purchasing Power Accounting (CPPA) ?
4. What is fugitive goodwill ?
5. What is Deferred Tax Assets ?
6. ABC & Co. Ltd. had on 31<sup>st</sup> December, 2019, 80000 Equity shares of Rs. 10 each, Rs. 8 per share Called-up. In June, 2020 the company decided to reduce it to Rs. 8 per share fully paid-up by cancelling unpaid amount of Rs. 2 per share. You are required to pass necessary journal entry to give effect to the above arrangement.
7. X Ltd. agreed to take over the business of Y Ltd. on the following terms :
  - (a) Shareholders of Y Ltd. are to be paid Rs. 50 in cash and two shares of Rs. 20 each in X Ltd. for every share of Y Ltd. has 20,000 equity share outstanding.
  - (b) The Debenture Holders holding 10,000 debentures of Rs.50 each are to be redeemed at a premium of 10%.
  - (c) Cost of liquidation amounting to Rs. 50,000 are to be borne by X Ltd.

Compute the Purchase Consideration.

(4 × 2 = 8 weightage)  
**Turn over**

**Part B**

*Answer any four questions.  
Each question carries 3 weightage.*

8. What is Human Resource Accounting ? What are the important approaches for valuation of human resources ?
9. What is Purchase Consideration ? Explain the various methods used for calculation of purchase consideration.
10. What are the differences between Operating Lease and Financial Lease ?
11. What is Green Accounting ? Explain the advantages of Green Accounting.
12. A firm has started its business with a capital of Rs. 5,00,000. It has purchased fixed assets worth Rs. 2,50,000 in cash. It has kept Rs. 1,30,000 as working capital and incurred Rs. 1,20,000 on recruitment, training and developing the engineers and a few workers. The value of engineers and workers is assessed as Rs. 4,00,000. Prepare Balance sheet (including Human Resources).
13. The following scheme of reconstruction has been approved for Y Ltd :
  - (i) The shareholders to receive in lieu of their present holding of 1,20,000 shares of Rs. 10 each, the following :
    - (a) Fully paid ordinary shares of Rs. 10 each, Rs.5 paid up equal to 1/3 pf their holding.
    - (b) 15% preference shares of Rs. 100 each equal to 1/2 the amount of the above new ordinary shares.
    - (c) Rs. 3,00,000,16% debentures of Rs. 100 each.
  - (ii) The goodwill which stood at Rs. 4,00,000 was written down to Rs. 2,50,000 and machinery was reduced by Rs. 60,000.
  - (iii) Rs. 70,000 in the debit of profit and loss account was written off and the balance in the capital reduction was transferred to Capital Reserve account.

Give journal entries in the books of the company for the implementation of the above scheme.

14. From the following information, calculate the amount of Gearing Adjustment in case of a company which has a capital mix of 40% debt and 60% equity.

Particulars	Amt. Rs.
Depreciation Adjustment	2,000
Cost of Sales Adjustment	1,000
Monetary Working Capital Adjustment	1,000
Total	4,000

(4 × 3 = 12 weightage)

**Part C**

*Answer any two questions.  
Each question carries 5 weightage.*

15. What is Forensic Accounting ? What are the differences between Traditional Accounting and Forensic Accounting ?
16. H Ltd. acquired Rs. 12,000 Equity shares in S Ltd. on 01.04.2019. The summarized Balance sheets of H Ltd. and its subsidiary S Ltd. as on 31<sup>st</sup> March 2020 are as follows :

	A Ltd. Rs.	B Ltd. Rs.
<b>Equity and Liabilities</b>		
Share Capital (share of Rs.10 each)	3,00,000	45,000
General Reserve (01.04.2016)	1,00,000	2,000
Profit and Loss Account	90,000	36,000
Creditors	10,000	20,000
<b>Total</b>	<b>5,00,000</b>	<b>1,03,000</b>
<b>Assets</b>		
Freehold premises	1,65,000	31,000
Machinery	70,000	29,000
Investments in B Ltd.	1,05,000	
Stock	62,000	18,000
Debtors	35,000	14,000
Cash	63,000	11,000
<b>Total</b>	<b>5,00,000</b>	<b>1,03,000</b>

- (a) The creditors of A Ltd. include Rs. 5,000 due to B Ltd. for purchases on which the latter company made a profit of Rs. 1,000.
- (b) The stock of A Ltd. includes Rs. 3,000 of the above purchases from B Ltd. You are required to prepare the Consolidated Balance sheet as on 31.03.2020.
17. The following is the Balance sheet of Rocky Ltd. :

	Amt. Rs.
<b>Equity and Liabilities</b>	
Share Capital :	
10,000 Equity Shares of Rs. 10 each	1,00,000
Profit & Loss	35,000
12% Debentures	50,000
Creditors	15,000
	<b>2,00,000</b>

**Turn over**

Assets	
Goodwill	20,000
Fixed Assets	82,500
Current Assets	97,500
	2,00,000

Priya Ltd. agreed to take over assets at 10 % less than book value (excepting goodwill, one fixed asset valued at Rs.20000 and cash Rs.5000 included in the Balance sheet as above). The Priya Ltd. agreed to pay Rs.30000 for goodwill and to discharge the trade creditors and debentures.

The purchase consideration was to be discharged by the issue of 10000 shares of Rs. 10 each, Rs. 8 called at market value of Rs. 10 per share and the balance in cash. Cost of liquidation amounted to Rs. 2,000. You are required to :

- (i) Calculate purchase consideration.
  - (ii) Give journal entries to close the books of Rocky Ltd.
18. The following particulars relate to a limited company which has gone into voluntary liquidation. You are required to prepare the Liquidator's Final Statement of Account allowing for his remuneration @ 2% on amount realised and 2% on the amount distributed among unsecured creditors than preferential creditors.

The assets realised the following sums :

Land and Building	100000
Plant and Machinery	93250
Fixtures and Fittings	5000

The liabilities of the company were :

Preferential creditors	50000
Unsecured creditors	160000
Debentures	50000
Equity share capital	250000

(25000 shares of Rs. 10 each)

The liquidation expenses amounted to Rs. 5,000.

(2 × 5 = 10 weightage)

C 5519

(Pages : 4 + 4 = 8)

Name.....

Reg. No.....

**M.Com. PREVIOUS DEGREE (IMPROVEMENT/SUPPLEMENTARY)  
EXAMINATION, APRIL/MAY 2021**

(SDE)

M.Com.

MC2C7—ADVANCED CORPORATE ACCOUNTING

(2015 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A**

*Answer all questions.  
Each question carries 2 marks.*

1. What do you mean by 'Minority Interest' ?
2. Define IFRS.
3. Mention the objectives of Farm Accounting.
4. What is Replacement Cost Approach ?
5. What is Absorption ?

(5 × 2 = 10 marks)

**Part B**

*Answer any four questions.  
Each question carries 10 marks.*

6. The following is the balance sheet of P Ltd and Q Ltd.

Balance Sheet as at 31<sup>st</sup> December 2015

<i>Liabilities</i>	<i>P Ltd</i>	<i>Q Ltd</i>	<i>Assets</i>	<i>P Ltd</i>	<i>Q Ltd</i>
Share capital :-5000					
Equity Shares of Rs.100 each	5,00,000		Fixed assets	4,00,000	60,000
5000 equity shares of Rs.10		50,000	Investments	50,000	
each fully paid.			(4000 equity		
2500, 8% Preference shares		25,000	shares in Q ltd.)		
of Rs.10 each fully paid.			Current assets	1,25,000	32,500
General Reserve	50,000	10,000			
Sundry Creditors	25,000	5,000			
Dividend due on Preference		2,500			
shares					
	5,75,000	92,500		5,75,000	92,500

Q Ltd. had Rs. 7,500 in general reserve as on 1-1-2015. No dividend has been declared by Q Ltd. in 2015. No dividend has been declared by Q Ltd. in 2015. You are required to prepare a Consolidated Balance Sheet.

Turn over

Q Ltd Had Rs.7,500 in general reserve as on 1-1-2015. No dividend has been declared by Q Ltd in 2015 .No dividend has been declared by Q Ltd in 2015. You are required to prepare a Consolidated Balance sheet.

7. On 1<sup>st</sup> November 2014 Jala devatha of S.P shipping company undertook a voyage from kochi to Singapore with 1000 tones of copra and reached Singapore on 25<sup>th</sup> November. The return journey started on 10<sup>th</sup> December with 2000 tonnes of wooden furniture materials and reached Kochi on 31st December 2014. The freight charges were Rs.800 per tonne for onward journey and Rs.400 per ton for return journey. Primage was 10% on freights. Address commission and brokerage was payable at 4% on freight and primage. The valve of ship is Rs.48,00,000. It runs fully on diesel. Depreciation is 10% per annum. The following information is given:-

Rs.	
Diesel and fuel charges	... 4,20,000
Port charges	... 90,000
Stevendoring	... 1,10,000
Fresh water charges	... 28,000
Passage money	... 1,20,000
Salaries of Crew	... 3,60,000
Sundry stores	... 96,000
Standing Charges	... 45,000

Insurance of ship 1% of cost of ship for the voyage. Insurance of freight ½%

Prepare Voyage Account for the period.

8. Balance Sheets of M Ltd and N Ltd are given below as at 31<sup>st</sup> March 2015.

<i>Liabilities</i>	<i>M Ltd (Rs.)</i>	<i>N Ltd (Rs.)</i>	<i>Assets</i>	<i>M Ltd (Rs.)</i>	<i>N Ltd (Rs.)</i>
Share capital (Rs.10 )	4,00,000	8,00,000	Sundry assets (Excluding good will)	6,20,000	12,00,000
Reserve & Surplus	80,000	2,00,000			
7% Debentures (Rs.100)	2,00,000		Loan to N Ltd	60,000	
Loan from M Ltd		60,000	Investment	1,00,000	
Other Liabilities	1,00,000	1,40,000	(10,000 shares in N Ltd)		
	7,80,000	12,00,000		7,80,000	12,00,000

M Ltd merges N Ltd in the nature of purchase on the following terms :-

- (a) N Ltd will issue sufficient number of shares at Rs.11 each and pay 50 paise each per share held by members of M Ltd.
- (b) 7% debentures of M Ltd are taken over by N Ltd along with other Liabilities of M Ltd.

Show Journal entries and ledger accounts in the books of both the companies.

9. What do you mean by Inflation Accounting ? Explain its significance.
10. Explain the benefits of adopting IFRS.
11. Distinguish between amalgamation in the nature of merger and amalgamation in the nature of purchase.

(4 × 10 = 40 marks)

### Part C

*Answer any two questions.  
Each questions carries 15 marks.*

12. Prakash processors Ltd went into voluntary liquidation on 31st Dec:2015, When their Balance Sheet read as follows :

<i>Liabilities</i>	Rs.	<i>Assets</i>	Rs.
Issued and subscribed capital.		Land and Buildings	5,00,000
Preference share of Rs.100 each fully paid.	10,00,000	Machinery and plant	12,50,000
5000 equity shares of Rs.100 each ; Rs.75 paid.	3,75,000	Patents	2,00,000
15000 equity shares of Rs.100 each; Rs.60 paid .	9,00,000	Stock	2,75,000
15% debentures secured by a floating charge.	5,00,000	Sundry Debtors	5,50,000
Interest outstanding on debentures.	75,000	Cash at bank	1,50,000
Creditors	6,37,000	Profit and Loss Account	5,62,500
	34,87,500		34,87,500

Preference divided were in areas for two years and the creditors included preferential creditors of Rs.76,000.

Turn over

The assets realised as follows :-

Land and building Rs. 6,00,000 ; Machinery and plant Rs. 10,00,000, Patents Rs.1,50,000, stock Rs. 3,00,000, sundry debtors Rs.4,00,000. The expenses of liquidation amounted to Rs. 54,500. The liquidator is entitled to a commission of 3% on assets realised except cash. Assuming the final payment including those on debentures is made on 30th June 2016. Show Liquidator's Final statement of Account.

13. From the following information prepare the Cattle Account :

	No.	Rs.
Cattle (Opening stock)	... 80	3,20,000
Cattle (Closing stock)	... 130	5,50,000
Cattle food (Opening stock)	...	50,000
Cattle food(Closing stock)	...	80,000
Purchase of cattle food	...	1,00,000
Purchases of cattle during the year	... 150	6,00,000
Sales of cattle during the year	... 75	5,00,000
Sales of slaughtered cattle	... 30	2,00,000
Sales of carcasses	... 5	5,000

Out of the calves born during the year 3 died and carcasses of calves did not realise anything. Crop worth Rs. 50,000 grown in the farm was used for feeding. Rs. 30,000 is estimated to be wages for rearing etc... Slaughter house expenses amounted to Rs.20,000. Charge depreciation Rs. 15,000 and insurance Rs.4000. Cattle waste was sold for Rs. 21,000.

14. What do you mean by Human Resource Accounting ? Explain its different methods.

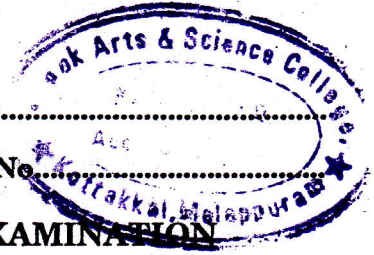
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Name.....

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**SECOND SEMESTER M.A./M.Sc./M.Com. DEGREE EXAMINATION**

**JUNE 2020**

(CBCSS)

M.Com.

**MCM 2C 06—ADVANCED CORPORATE ACCOUNTING**

(2019 Admissions)

Time : Three Hours

Maximum : 30 Weightage

**Part A**

*Answer any four questions.*

*Each question carries 2 weightage.*

1. What do you mean by Single Sources Documents ?
2. Who is a Contributory ?
3. What is Internal Reconstruction ?
4. What is Deferred Tax Liability ?
5. Define Operating Lease.
6. What do you mean by Accounting for Price Level Changes ?
7. What is Social Accounting ?

(4 × 2 = 8 weightage)

**Part B**

*Answer any four questions.*

*Each question carries 3 weightage.*

8. Discuss detection techniques used in Forensic Accounting.
9. Give journal entries for the following transactions in connection with the internal reconstruction :
  - (a) 10,000 Equity Shares of ₹ 10 each fully paid, reduced to shares of ₹ 5 each fully paid.
  - (b) 100, 8% Debentures of ₹ 1,000 each converted into 500, 6% Debentures of ₹ 100 each.

**Turn over**

- (c) The debit balance of P and L A/C ₹ 50,000 and the preliminary expenses of ₹ 10,000 were written-off.
- (d) The value of Plant and Machinery and Stock were written-down by ₹ 20,000 and ₹ 10,000 respectively.

10. Y Ltd. availed a lease from Z Ltd conditions of the lease terms are as under :

- (a) Annual lease rent : ₹ 40,000 at end of each year.
- (b) Lease period : 5 years
- (c) Guaranteed residual value : ₹14, 000
- (d) Fair value at the inception (beginning) of lease : ₹ 1,50,000

Interest rate implicit on lease is 12.6%. The present value factor at 12.6% are 0.89, 0.79, 0.7, 0.622, 0.522 at the end of first, second, third, fourth and fifth year respectively.

Show journal entry to record the assets taken on finance lease in the books of the lessee.

11. Distinguish between Pooling of Interest Method and Purchase Method.

12. The following particulars relate to a limited company which has gone into voluntary liquidation. You are required to prepare the Liquidator's final account allowing for his remuneration @2% on the amount realized on the assets and 2% on the amount distributed to unsecured creditors other than preferential creditors :

	₹
Unsecured Creditors	2,24,000
Preferential Creditors	70,000
Debentures	75,000

The assets realized the following sums :

	₹
Cash in Hand	20,000
Land and Buildings	1,30,000
Plant and Machinery	1,10,500
Fixtures and Fittings	7,500

The liquidation expenses amount to ₹ 2,000. A call of ₹ 2 per share on the partly paid 10,000 equity shares was made and duly paid except in case of one shareholder owing 500 shares.

13. M/s Eagle Ltd. gives you the following information as on 31-3-2019 :

- (a) The company has charged depreciation of ₹ 6,45,600 in its books of accounts, while as per income tax computation, the depreciation available to the company is ₹ 7,64,100.
- (b) The expenses of ₹ 6,85,500 has been charged to P and L Account which are disallowed under the income tax Act.
- (c) The company has debited share issue expenses of ₹ 5,46,400, which will be available for deduction under the income tax Act for the next year.
- (d) The company has made provision for doubtful debts for ₹ 45,600 during the year.
- (e) The company has made donation of ₹ 3,00,000, which has been debited to P and L a/c and 50% thereof will be allowed as deduction as per income tax law. You are required to compute the deferred tax assets and deferred tax liability as on 31-03-2019. The tax rate applicable is 30%.

14. What are the aims and functions of Environmental Accounting ?

(4 × 3 = 12 weightage)

### Part C

*Answer any two questions.*

*Each question carries 5 weightage.*

15. What do you understand by the term "Interest Rate Implicit on Lease" ? Calculate the Interest Rate Implicit on Lease from the following details :

Annual lease rent	:	₹ 80,000 at the end of each year
Lease period	:	5 years
Guaranteed residual value	:	₹ 40,000
Unguaranteed residual value	:	₹ 24,000
Fair value at the inception of the lease	:	₹ 3,20,000

Discounted rates for the first 5 years are as below :

@ 10%	0.909	0.826	0.751	0.683	0.621
@ 14%	0.877	0.769	0.675	0.592	0.519

**Turn over**

16. Balance sheet of H Ltd. and S Ltd. on 31 March, 2019 were as follows :

	H Ltd (₹)	S Ltd (₹)
<b>I. Equity and liabilities</b>		
1. Shareholders' funds		
a) Share Capital :		
Equity shares of ₹100 each	10,00,000	4,00,000
10% Preference shares of ₹ 100 each	—	1,00,000
b) Reserves and Surplus :		
General Reserve	1,00,000	50,000
Surplus Account :		
Balance on 1-4-2018	40,000	30,000
Profit for 2018-19	2,00,000	80,000
2. Current Liabilities		
Creditors	1,50,000	70,000
<b>Total Equity and Liabilities</b>	<b>14,90,000</b>	<b>7,30,000</b>
<b>II. Assets</b>		
1. Non-current Assets		
a) Fixed Assets :		
Land and Building at Cost	3,10,000	1,60,000
Machinery less 10% Depreciation	2,70,000	1,35,000
b) Investments 3,000 Shares in S Ltd.	4,50,000	—
2. Current Assets		
Stock at Cost	2,20,000	1,50,000
Sundry Debtors	1,55,000	90,000
Cash and Bank Balance	85,000	1,95,000
<b>Total</b>	<b>14,90,000</b>	<b>7,30,000</b>

H Ltd acquired 3,000 Equity Shares in S Ltd. on 1<sup>st</sup> October 2018. As on the date of acquisition ; H Ltd. found the value of Land and Building and machinery of S Ltd. should be ₹ 1,50,000 and ₹ 1, 92,500 respectively. Prepare the Consolidated Balance Sheet of H Ltd. and its subsidiary S Ltd. as on 31<sup>st</sup> March, 2019 taking into consideration the fact that assets are to be taken at their proper values.

17. The balance sheet of A Ltd. and B Ltd. as on 31<sup>st</sup> March 2019 were as follows :

	A Ltd. (₹)	B Ltd. (₹)
<b>Equity and liabilities</b>		
Share capital		
5,000, Preference share of ₹ 10 each	50,000	—
Equity share of ₹10 each	1,50,000	50,000
Investment Allowance Reserve	30,000	12,000
General Reserve	80,000	—
Profit and Loss (Surplus A/C)	60,000	20,000
Creditors	5,000	2,000
	3,75,000	84,000
	A Ltd. (₹)	B Ltd. (₹)
<b>Assets</b>		
Goodwill	—	7,000
Patents	20,000	—
Land and building	1,40,000	—
Plant and machinery	1,50,000	—
Motor vehicles	15,000	25,000
Furniture	7,000	2,500
Investments	11,000	—
Stock	20,000	27,000
Debtors	8,000	16,500
Bank	4,000	6,000
	3,75,000	84,000

Turn over

A new company AB Ltd. was formed to acquire the assets and liabilities of A Ltd. and B Ltd. of following terms.

- (a) AB Ltd. have an authorized capital of ₹ 5,00,000 divided into 40,000 equity shares of ₹ 10 each and 10,000 10% preference shares of ₹ 10 each.
- (b) Business of A Ltd. was valued at ₹ 4,00,000 and settlement was made by issue of 20,000 equity shares of ₹ 20 each.
- (c) Business of B Ltd. was valued at ₹ 1,00,000 satisfied by issue of 5,000 equity shares of ₹ 20 each.
- (d) Cost of formation of AB Ltd. amounted to ₹ 5,600
- (e) AB Ltd. made a public issue of 6,000, 10% preference shares of ₹ 10 each at par and 10,000 equity shares of ₹ 20 each.
- (f) Cost of liquidation of A Ltd. amounted to ₹ 1,050 and B Ltd ₹ 540 and same was paid by AB Ltd.

Give opening journal entries in the book of AB Ltd. and prepare the Balance Sheet, assuming, that the amalgamation in the nature of merger.

18. Briefly discuss Modern concept in Accounting.

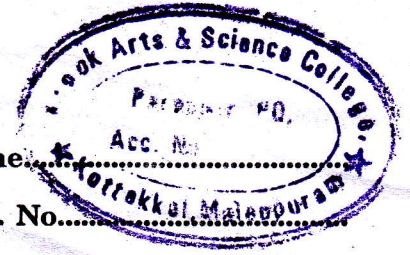
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Name.....

Reg. No.....



**SECOND SEMESTER M.A./M.Sc./M.Com. DEGREE EXAMINATION**

**JUNE 2020**

(CUCSS)

M.Com.

**MC 2C 7—ADVANCED CORPORATE ACCOUNTING**

(2015 Admissions)

Time : Three Hours

Maximum : 36 Weightage

**Part A**

*Answer all questions.*

*Each question carries 1 weightage.*

1. To what extent the objective of IFRS is achieved ?
2. Give any *two* differences between IFRS and IAS ?
3. What do you mean by Inter Company Owings ?
4. Define the term Merger ?
5. Is it essential to have farm Accounting ?
6. What do you mean by current Purchasing Power ?

(6 × 1 = 6 weightage)

**Part B**

*Answer any six questions.*

*Each question carries 3 weightage.*

7. Discuss the scope of IFRS ?
8. How would you ascertain the amount of Minority Interest ?
9. Illustrate the payment Dividend out of pre and post-acquisition profit ?
10. List out the steps required for the purchase in case of Absorption ?
11. Distinguish between Absorption and Reconstruction of companies ?
12. Explain the different modes of winding up of a company with examples ?

**Turn over**

13. State the characteristic features of Voyage Accounting ?
14. What are the methods of valuing Human Resources ? Explain.

(6 × 3 = 18 weightage)

**Part C**

*Answer any two questions.  
Each question carries 6 weightage.*

15. T.V. Ltd. absorbed the business of Radio Ltd. as a going concern on 31<sup>st</sup> March, 2008, the balance sheets of the two companies, on that date, being as under :

<i>Liabilities</i>	T.V.Ltd.	Radio Ltd.	<i>Assets</i>	T.V.Ltd	Radio Ltd
Share capital Authorised of Rs. 10 each	20,00,000	6,00,000	Goodwill	—	1,00,000
Issued and paid-up Rs.10 each fully paid up	10,00,000	6,00,000	Building	5,00,000	—
Reserves	1,20,000	—	Stock	1,40,000	2,60,000
Creditors	20,000	1,00,000	Debtors	2,80,000	2,00,000
Bank overdraft		1,00,000	Investment	1,20,000	—
			Balance at Bank	1,00,000	—
			Profit and Loss A/c	—	2,40,000
	11,40,000	8,00,000		11,40,000	8,00,000

The purchase consideration was agreed upon at Rs.4,00,000 payable as to Rs.2,00,000 in cash and the balance by issue of 16,000 equity shares of Rs.10 each fully paid in T.V. Ltd. at an agreed value of Rs.12.50 per share. The sale was completed and Radio Ltd. then went into liquidation. Pass journal entries in the books of T.V. Ltd. and prepare the balance sheet of T.V. Ltd. after the purchase.

16. The following information is obtained with regard to the assets and liabilities of X Ltd. as on 30<sup>th</sup> June, 2008 and on which date a winding up order has been issued against it :

	Rs.
Freehold Premises (book value Rs.4,50,000) valued at	: 3,75,000
First mortgage of freehold premises	: 3,00,000
Second mortgage of freehold premises	: 1,12,500
8% Debenture carrying floating charges on understanding (Interest due 1 <sup>st</sup> September and 1 <sup>st</sup> April and paid on due dates)	: 1,50,000
Managing Directors emoluments (6 months)	: 22,500
Staff Salary unpaid (one month)	: 16,050
Trade Debtors Goods	: 31,500
Doubtful (Estimated to realise 50%)	: 12,900
Bad	: 72,750
Plant and Machinery (book value Rs. 2,47,500) estimated to realise	: 1,74,000
Bank overdraft	: 58,125
Cash in hand	: 825
Stock (at cost Rs. 50,850)-estimated to realise	: 33,900
Issued capital : Equity shares of Rs. 10 each, fully called up	: 1,50,000
Calls in arrear, Rs. 3,000 estimated to realise	: 1500
Unsecured creditors 2,96,250	
Contingent liabilities in respect of a claim for Damages Rs. 37,500-estimated to be settled for Rs. 18,000	
Income tax liabilities :	
For 30-6-2006	: 5250
For 30-6-2007	: 1275
For 30-6-2008	: 2700

The reserve for the company on 1-7-2007 amounted to Rs. 7500.

You are required to prepare : i. Statement of Affairs ii. Deficiency Account.

**Turn over**

17. (Revaluation of Assets, inter co. Owings and Stock Reserves). From the balance sheets and information given below, prepare Consolidated Balance Sheet :

**Balance Sheets**

as at 31<sup>st</sup> March, 2008

	<i>H Ltd. Rs.</i>	<i>S Ltd Rs.</i>		<i>H Ltd Rs.</i>	<i>S Ltd Rs.</i>
Share Capital : Rs.10					
fully paid shares	10,00,000	2,00,000	Sundry Assets	8,00,000	1,20,000
Profit and Loss A/c	4,00,000	1,20,000	Stock	6,10,000	2,40,000
Reserve	1,00,000	60,000	Debtors	1,30,000	1,70,000
Creditors	2,00,000	1,20,000	Bills Receivable	10,000	
Bills Payable	—	30,000	Shares in S 15,000		
			at cost	1,50,000	—
	17,00,000	5,30,000		17,00,000	5,30,000

- (i) All the profit of S Ltd. has been earned since the shares were acquired by H Ltd. but there was already the Reserve of Rs. 60,000 at that date.
- (ii) The bills accepted by S Ltd. Rs. 10,000 are in favour of H Ltd.
- (iii) Sundry assets of S are undervalued by Rs. 20,000.
- (iv) The stock of H Ltd. includes Rs. 50,000 bought from S Ltd. at a profit to the latter of 25 per cent on cost.
18. Calculate the amount of depreciation under "Current Cost Accounting" (CCA) method for each of the four years as well as the backlog depreciation for a certain item of the asset from the following details :

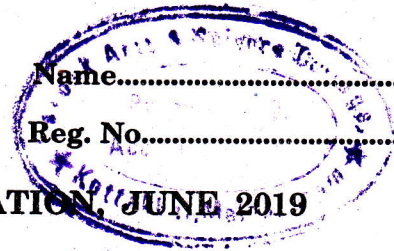
Cost of machine	:	Rs. 40,000
Estimated life	:	4 years
Residual Value	:	Nil
Inflation factor	:	10%p.a

Assume straight line method of depreciation

(2 × 6 = 12 weightage)

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(Pages : 4)



SECOND SEMESTER M.Com. DEGREE EXAMINATION

(CUCSS)

M.Com.

MC 2C 7—ADVANCED CORPORATE ACCOUNTING

(2015 Admissions)

Time : Three Hours

Maximum : 36 Weightage

**Part A**

*Answer all questions.*

*Each question carries 1 weightage.*

1. Define Accounting Standards.
2. Who is Receiver ?
3. What do you mean by "Reciprocal Holding" ?
4. What is Bonus Share ?
5. What is "External Reconstruction" ?
6. What is Crop Account ?

(6 × 1 = 6 weightage)

**Part B**

*Answer any six questions.*

*Each question carries 3 weightage.*

7. Explain the term "Preferential Creditors".
8. What is IFRS ? Give objectives behind IFRS.
9. Explain the accounting treatment of Capital Profit, Revenue Profit, Cost of control and Goodwill in Holding Companies.
10. Explain the objectives of Farm Accounting.
11. From the following details make up 'Cattle Account' in the books of Feeders' Ranch Ltd. :

	No.	Value
Cattle (Opening Value of livestock) ...	100	3,00,000
Cattle food (Opening Stock) ...	—	30,000
Purchases of cattle food ...	—	1,35,000
Purchase of cattle (during the year) ...	200	5,85,000
Sale of Cattle (during the year) ...	150	5,62,500
Sales of Slaughtered Cattle ...	40	1,80,000
Sales of carcasses ...	5	750
Cattle (closing value of livestock) ...	115	5,85,000
Cattle food (closing stock) ...	—	37,500

**Turn over**

Out of calves born during the year 4 died and the carcasses of the calves did not realise anything. Crop worth Rs. 22,500 grown in the farm was used for feeding, Rs. 15,000 is estimated to be wages for rearing etc. Slaughter house expenses amounted to Rs. 22,500 charge depreciation Rs. 7,500 and insurance 3,750.

12. The over confident Ltd. went into liquidation with the following liabilities :

- (a) Secured creditors Rs. 20,000 (securities realised Rs. 25,000).
- (b) Preferential creditors Rs. 600.
- (c) Unsecured creditors Rs. 30,500.

Liquidator's expenses in connection with liquidation amounted to Rs. 252. The liquidator is entitled to a remuneration of 3 % on every amount realised and 1½ percent on amount distributed to unsecured creditors except preferential creditors. The various assets (excluding securities in the hands of fully secured creditors) realised 26,000.

Prepare Liquidation Account.

13. H Company held shares in X company which it bought for Rs. 10,000 in 2001 when index of general level of prices stood at Rs. 110. At the end of 2004 the market price of shares was Rs. 8,000 and the index was 132. At the end of 2005 the market price of the shares was Rs. 9,000 and the index was 145.2.

- (a) Calculate CPP value of shares at the end of 2004 and 2005.
- (b) Under CPP accounting what gain or loss would be shown in respect of shares.
- (c) What, in fact, was the gain or loss in purchasing power in respect of the shares during 2005 ?

14. H Ltd. acquired 80 % of the shares of S Ltd. on 31st March 2017, on which date the Balance Sheets of H Ltd. and S Ltd. appear as follows. Prepare a consolidated Balance Sheet as on 31st March 2017 :

Balance Sheet as on 31st March 2017					
<i>Liabilities</i>	H Ltd. (Rs.)	S Ltd. (Rs.)	<i>Assets</i>	H Ltd. (Rs.)	S Ltd. (Rs.)
Share capital (shares Rs. 10 each) ...	4,00,000	2,00,000	Stock	... 4,00,000	2,00,000
General Reserve ...	80,000	40,000	Debtors	... 2,00,000	1,60,000
P & L Account ...	1,20,000	60,000	Cash and bank	... 40,000	40,000
Sundry Creditors ...	3,00,000	1,00,000	Investment (16000 shares of S Ltd.) ...	2,60,000	
	<u>9,00,000</u>	<u>4,00,000</u>		<u>9,00,000</u>	<u>4,00,000</u>

(6 × 3 = 18 weightage)

## Part C

Answer any two questions.  
Each question carries 6 weightage.

15. From the ledger balance as at 31st March 2012 and information given below, prepare Consolidated Balance Sheet :

<i>Credit Balances</i>	H Ltd. (Rs.)	S Ltd. (Rs.)	<i>Debit Balances</i>	H Ltd. (Rs.)	S Ltd. (Rs.)
Share capital (Rs. 10 fully paid) ...	1,00,000	2,00,000	Sundry assets ...	8,00,000	1,20,000
Surplus Account ...	4,00,000	1,20,000	Stock ...	6,10,000	2,40,000
Reserve ...	1,00,000	60,000	Debtors ...	1,30,000	1,70,000
Creditors ...	2,00,000	1,20,000	Bills Receivable ...	10,000	—
Bills payable ...	—	30,000	Shares in S Ltd. 15,000 at cost ...	1,50,000	—
	<u>17,00,000</u>	<u>5,30,000</u>		<u>17,00,000</u>	<u>5,30,000</u>

## Adjustments :

- (a) All the profit of S Ltd. has been earned since the shares were acquired by H Ltd., but there was already reserve of Rs. 60,000 at that date.
- (b) The bill accepted by S Ltd. Rs. 10,000 are in favour of H Ltd.
- (c) Sundry assets of S Ltd. are undervalued by Rs. 20,000.
- (d) The stock of H Ltd. includes Rs. 50,000 bought from S Ltd. at a profit to the later of 25% on cost.
16. Liabilities and Assets of Jay Ltd. and Ray Ltd. as on 31.03.2012 are as follows :

<i>Liabilities</i>	Jay Ltd. (Rs.)	Ray Ltd. (Rs.)	<i>Assets</i>	Jay Ltd. (Rs.)	Ray Ltd. (Rs.)
Equity share capital (Rs. 10 each) ...	5,00,000	4,00,000	Fixed assets ...	8,00,000	6,00,000
6 % preference share Capital (Rs. 100) ...	5,00,000	1,00,000	Investment (5000 shares of Ray Ltd) ...	60,000	—
Reserve ...	1,40,000	1,00,000	Current Assets ...	5,00,000	2,00,000
7 % Debentures ...	—	1,00,000	Loan to Ray Ltd. ...	30,000	—
Loan from Jay ...	—	30,000			
Other Liabilities ...	2,50,000	70,000			
	<u>13,90,000</u>	<u>8,00,000</u>		<u>13,90,000</u>	<u>8,00,000</u>

Turn over

Jay Ltd. decides to amalgamate in the nature of purchase Ray Ltd. on the following terms :

- (a) Jay Ltd. will issue 7 equity shares of Rs. 10 each at a premium of 20 % and Rs. 5 for every five equity shares of Ray Ltd. surrendered.
- (b) Preference shareholders of Ray Ltd. are to be given one 6 % preference shares in Jay Ltd. for every share held. These shares are to be issued at a premium of 5 %.
- (c) Liquidation expenses are to be paid by Jay Ltd. amounting to Rs. 10,000.
- (d) Jay Ltd. revalues fixed assets of Ray Ltd. at Rs. 8,00,000 on takeover.

Close the books of Ray Ltd. and pass journal entries in the books of Jay Ltd.

17. Express the different IFR standards.

(2 × 6 = 12 weightage)

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(Pages : 3)

Name.....

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**SECOND SEMESTER M.Com. DEGREE EXAMINATION, JUNE 2018**

(CUCSS-PG)

Commerce

MC 2C 7—ADVANCED CORPORATE ACCOUNTING

(2015 Admissions)

Time : Three Hours

Maximum : 36 Weightage

**Part A**

*Answer all questions.*

*Each question carries 1 weightage.*

1. What is main object of IFRS ?
2. What is Minority Interest ?
3. Define Bonus Shares.
4. How do you treat 'Liquidation Expenses' ?
5. What is the significance of Farm Accounts ?
6. How do you treat 'Human Capital' ?

(6 × 1 = 6 weightage)

**Part B**

*Answer any six questions.*

*Each question carries 3 weightage.*

7. What is the role of IASB in IFRS ?
8. Distinguish IFRS with Indian Accounting Standards.
9. How would you ascertain the amount of Goodwill or Capital reserve while preparing a consolidated Balance Sheet ?
10. While preparing consolidated Balance Sheet how would you treat contingent liabilities and unrealised profits ?
11. Describe the different modes of winding-up of a company.
12. Explain the various lists to be attached to the statement of affairs.
13. Explain in brief the different terms used in Voyage Account.
14. Why accounting for price level changes is necessary.

(6 × 3 = 18 weightage)

**Turn over**

## Part C

Answer any two questions.

Each question carries 6 weightage.

15. The following is the Balance Sheet of Week Co. Ltd. as on 31st March, 2008 :

<i>Liabilities</i>	Rs.	<i>Assets</i>	Rs.
1,00,000 equity shares of Rs. 10 each	... 10,00,000	Land	... 1,00,000
Sundry Creditors	... 1,73,000	Plant and Machinery	... 2,30,000
		Furniture and Fittings	... 68,000
		Stock	... 1,50,000
		Debtors	... 70,000
		Cash at Bank	... 5,000
		Profit and Loss Account	... 5,50,000
	<u>11,73,000</u>		<u>11,73,000</u>

The approval of the cost was obtained for the following scheme of reduction of capital :

- (a) The equity shares to be reduced to Rs. 4 per share.
- (b) Plant and Machinery to be written down to Rs. 1,50,000.
- (c) Stock to be revalued at Rs. 1,40,000.
- (d) The provision on debtors for doubtful debts to be created Rs. 2,000.
- (e) Land to be revalued at Rs. 1,42,000.

Pass journal entries to give effect to the above arrangement and also prepare reconstruction account.

16. The Over-Confident Ltd. Went into liquidation with the following liabilities :

- (a) Secured Creditors Rs. 20,000 (securities realised Rs. 25,000).
- (b) Preferential creditors Rs. 600.
- (c) Unsecured creditors Rs. 30,500.

Liquidator's expenses in connection with liquidation amounted to Rs. 252. The liquidator is entitled to a remuneration of 3 per cent on every amount realised and 1½ per cent on the amount distributed to unsecured creditors except preferential creditors. The various assets (excluding securities in the hands of fully secured creditors) realised Rs. 26,000.

Prepare Liquidator's account.

17. From the following Balance Sheets of H Ltd. and its subsidiary S Ltd., drawn upto 31st March, 2008, prepare a consolidated Balance Sheet as at that date, having regard to the following :

- (i) Reserve and Profit and Loss (Cr.) of S. Ltd. stood as Rs. 25,000 and Rs. 15,000 respectively on the date of acquisition of its 80% shares by H Ltd. and
- (ii) Machinery (book value Rs. 1,00,000) and furniture (book value Rs. 20,000) of S were revalued at Rs. 1,50,000 and Rs. 15,000 respectively for the purpose of fixing the price of its share ; book values of other assets remaining unadjusted.

## Balance Sheet of H Ltd. and S Ltd. as at 31st March, 2008

	H Ltd. Rs.	S Ltd. Rs.		H Ltd. Rs.	S Ltd. Rs.
Share capital ...	5,00,000	1,00,000	Machinery ...	3,00,000	90,000
Reserve ...	2,00,000	75,000	Furniture ...	50,000	17,000
Profit and Loss Account ...	1,00,000	25,000	Other Assets ...	4,40,000	1,43,000
Creditors ...	1,50,000	50,000	Shares in S Ltd. 800 at Rs. 200 each ...	1,60,000	
	<u>9,50,000</u>	<u>2,50,000</u>		<u>9,50,000</u>	<u>2,50,000</u>

18. Discuss the different methods of Human Resource Accounting. Which one of them will you recommend for adoption in India under prevailing circumstances? Give reasons.

(2 × 6 = 12 weightage)

C 24222

(Pages : 4)

Name.....

Reg. No.....

**SECOND SEMESTER M.Com. DEGREE EXAMINATION, JUNE 2017**

(CUCSS—PG)

MC 2C 7—ADVANCED CORPORATE ACCOUNTING

(2015 Admissions)

Time : Three Hours

Maximum : 36 Weightage

**Part A**

*Answer all questions.*

*Each question carries 1 weightage.*

1. Define Accounting Standards ?
2. Write a short on Holding company.
3. What is the term 'Purchase Consideration' ?
4. Mention the special features of Farm Accounting.
5. What is Human Resource Accounting ?
6. Write a short note on Minority Interest ?

(6 × 1 = 6 weightage)

**Part B**

*Answer any six questions.*

*Each question carries 3 weightage.*

7. What are the operating activities in relation to AS-3' Cashflow Statement' ?
8. Describe the method of preparing 'Consolidated Profit and Loss Account'.
9. Explain briefly various provisions of accounting standard for amalgamation, AS-14.
10. Explain the different 'Value Based Methods' of valuing human resources.
11. A liquidator is entitled to receive remuneration @ 2% of the-assets realized and 3% on the amount distributed among the unsecured creditors. The assets realized Rs.70,00,000 against which payment was made as follows :

Liquidation expenses Rs. 50,000

Preferential creditors Rs. 1,50,000 ; and

Secured creditors Rs. 40,00,000 ; unsecured creditors Rs. 30,00,000

Calculate the total remuneration payable to the Liquidator.

**Turn over**

12. The balance sheet of Chitra Ltd. And Divya Ltd. as at 31<sup>st</sup> December, 2011 are as follows :

Liabilities	Chitra Ltd (Rs.)	Divya Ltd (Rs.)	Assets	Chitra Ltd (Rs.)	Divya Ltd (Rs.)
Share capital in shares of Rs.10 each	2,00,000	1,00,000	Sundry assets	1,32,500	1,38,200
General reserve	18,000	20,000	Goodwill	—	20,000
Profit and Loss A/c	24,500	23,000	Shares in Divya Ltd. at cost	1,40,000	—
Creditors	30,000	15,200			
	2,72,500	1,58,200		2,72,500	1,58,200

In the case of 'Divya' Ltd., profit for the year ended 31<sup>st</sup> December 2011 is Rs. 12,000 and transfer to reserve is Rs. 5,000. The holding of Chitra Ltd. in Divya Ltd. is 90% acquired on 30<sup>th</sup> June 2011.

Draft a Consolidated Balance Sheet of 'Chitra' Ltd. and its subsidiary.

13. From the information given below, prepare a "Crop account" to ascertain the gross margin made by this division of the farm :

Particulars	Rs.
Opening stock :	
Grain	... 3,000
Seed and fertilizers	... 2,000
Purchases :	
Seeds fertilizers	... 500
Sales of grain	... 1,500
Grain distributed as wages	... 15,000
Wages paid in cash	... 2,000
Grain consumed by the proprietor	... 3,000
Grain consumed by the live stock section	... 1,500
Repairs and maintenance of farm machinery	... 1,200
Depreciation on farm machinery	... 300
Crop insurance	... 500
Closing stock :	
Grain	... 6,000
Seeds and fertilizers	... 3,000

14. M Co. Ltd is studying the possible acquisition of N Co. Ltd. by way of merger. The following data are available in respect of the companies :

<i>Particulars</i>		M.Co. Ltd	N.Co. Ltd
Earnings after Tax (Rs.)	...	80,00,000	24,00,000
No. of Equity shares	...	16,00,000	4,00,000
Market value per Share (Rs.)	...	200	160

- (i) If the merger goes through by exchange of equity and the exchange ratio is based on the current market price, what is the new earning per share for M Co. Ltd ?
- (ii) N Co. Ltd. wants to be sure that the earnings available to its shareholders will not be diminished by the merger. What should be the exchange ratio in that case ?

(6 × 3 = 18 weightage)

### Part C

*Answer any two questions.*

*Each question carries 6 weightage.*

15. Explain in detail the provisions of AS-I "Disclosure of Accounting Policies".
16. The following are the Balance Sheets of A Ltd. and B Ltd. as at 31<sup>st</sup> December 2013 :

Liabilities	A Ltd (Rs.)	B Ltd (Rs.)	Assets	A Ltd (Rs.)	B Ltd (Rs.)
Equity share capital of Rs. 10 each	1,00,000	50,000	Sundry assets	66,250	69,100
Revenue Reserves	9,000	10,000	Share in B Ltd at cost	70,000	--
Profit and Loss A/c 1.7.2013	8,500	8,000	Goodwill	--	10,000
Profit for the year less transfer to reserves	3,750	3,500			
Creditors	15,000	7,600			
	1,36,250	79,100		1,36,250	79,100

Turn over

Profit for the year of B Ltd. was Rs.6,000 out of which Rs. 2,500 was transferred to reserves.

The holding of A Ltd. in B Ltd. is 90% acquired a year ago on 31.12.2012.

Written off from sundry assets of A Ltd. Rs.9,000. Also write off Rs.3,100 from the sundry assets of B Ltd. out of the year's profit.

Draft a Consolidated Balance Sheet of A Ltd. and its subsidiary.

17. The capital of Henry Ford company Ltd. which went into liquidation was as follows :

- (i) 4,000 equity shares of Rs.100 each, fully paid.
- (ii) 3,000 equity shares of Rs.100 each, Rs. 80 per share paid up.
- (iii) 1,000 preference share of Rs.100 each fully paid (these have preference in the repayment of capital).
- (iv) 1,000 deferred shares of Rs. 100, Rs. 80 per share paid up (these to be repaid only after satisfying the claims of equity shareholders).
- (v) The various creditors amounted in all to Rs. 1,00,000 including the liquidator's remuneration of Rs. 2,500. The liquidator made a call of the remaining Rs. 20 per share on the deferred shares which was paid in full.

He also realized all the assets amounting to Rs. 1,91,000.

A call of Rs.15 per share was made on the equity shares which were partly paid up. This was paid in full, with the exception of that on 100 shares which shares forfeit the right of refund of capital.

Prepare the Liquidator's account showing the return to the shareholders.

(2 × 6 = 12 weightage)

C 4798

(Pages : 6)

Name.....

Reg. No.....



**SECOND SEMESTER M.Com. DEGREE EXAMINATION, JUNE 2016**

(CUCSS)

MC 2C 07—ADVANCED CORPORATE ACCOUNTING

(2015 Admissions)

Time : Three Hours

Maximum : 36 Weightage

**Part A**

*Answer all questions.  
Each question carries 1 weightage.*

1. What are the benefits of Accounting Standards ?
2. Give the meaning of Subsidiary Company.
3. Define Absorption.
4. How are the Farm accounts prepared ?
5. Define Human Resource Management.
6. Write note on Voluntary Winding up.

(6 × 1 = 6 weightage)

**Part B**

*Answer any six questions.  
Each question carries 3 weightage.*

7. How are 'Inventories' defined in AS-2, valuation of Inventories ?
8. What is 'Holding Company' ? Why does a company become a 'Holding Company' ?
9. Explain the various 'Cost Based Method' of valuing Human Resources.
10. What are the Merits and Demerits of Human Resource Accounting ? Explain.

**Turn over**

11. The following particulars relate to a limited company which went into voluntary liquidation :

Particulars	Rs.
Preferential creditors	25,000
Unsecured creditors	58,000
6% Debentures	30,000

The assets realized Rs. 80,000. The expenses of liquidation amounted to Rs. 1,500 and the liquidator's remuneration was agreed at 2.5 % on the amount realized and 2 % on the amount paid to unsecured creditors including preferential creditors.

Show the Liquidator's Final Statement of Account.

12. The following scheme of reconstruction has been approved for Divya Ltd :—

- (i) The shareholders receive in lieu of their present holding of 60,000 shares of Rs. 10 each fully paid the following :
  - (a) Fully paid new equity shares equal to  $\frac{1}{3}$ <sup>rd</sup> of their holding.
  - (b) 8 % preference shares fully paid, to the extent of  $\frac{1}{5}$ <sup>th</sup> of the above new equity shares.
  - (c) Rs. 60,000, 8 % secured debentures.
- (ii) The debenture holder's total claim of Rs. 75,000 to be reduced to Rs. 25,000. This will be satisfied by the issue of 2,500, 8 % preference shares of Rs. 10 each fully paid.
- (iii) An issue of Rs. 50,000, 6 % first debentures was made and allotted, payment for the same having been received in cash.
- (iv) The Goodwill which stood at Rs. 3,00,000 was made written down to Rs. 50,000. Plant and Machinery which stood at Rs. 1,00,000 was made written down to Rs.75,000.

(v) The freehold premises which stood at Rs. 1,75,000 was made written down to Rs.75,000.

Give journal entries in the books of Divya Ltd. for the above reconstruction scheme.

13. The Balance Sheet of C Ltd. and D Ltd. as at 31<sup>st</sup> December, 2010 are as follows :

<i>Liabilities</i>	<i>C Ltd.</i>	<i>D Ltd.</i>	<i>Assets</i>	<i>C Ltd.</i>	<i>D Ltd.</i>
	(Rs.)	(Rs.)		(Rs.)	(Rs.)
Share capital in shares of Rs. 10 each	2,00,000	1,00,000	Sundry assets	1,32,500	1,38,200
General reserve	18,000	20,000	Goodwill	—	20,000
Profit and Loss Account	24,500	23,000	Shares in D Ltd. at cost	1,40,000	—
<b>Creditors</b>	<b>30,000</b>	<b>15,200</b>			
	<b>2,72,500</b>	<b>1,58,200</b>		<b>2,72,500</b>	<b>1,58,200</b>

In the case of 'D' Ltd., profit for the year ended 31<sup>st</sup> December 2010 is Rs. 12,000 and transfer to reserve is Rs. 5,000. The holding of C Ltd. in D Ltd. is 90 % acquired on 30<sup>th</sup> June 2010.

Draft a Consolidated Balance Sheet of 'C' Ltd. and its subsidiary.

14. M Co. Ltd., is studying the possible acquisition of N Co. Ltd. by way of merger. The following data are available in respect of the companies :

Particulars	M.Co. Ltd.	N Co. Ltd.
Earnings after Tax (Rs.)	80,00,000	24,00,000
No. of Equity Shares	16,00,000	4,00,000
Market value per Share (Rs.)	200	160

Turn over

- (i) If the merger goes through by exchange of equity and the exchange ratio is based on the current market price, what is the new earning per share for M Co. Ltd. ?
- (ii) N Co. Ltd. wants to be sure that the earnings available to its shareholders will not be diminished by the merger. What should be the exchange ratio in that case ?

(6 × 3 = 18 weightage)

**Part C**

*Answer any two questions.  
Each question carries 6 weightage.*

15. Explain briefly any *five* Indian Accounting Standards.
16. On 1<sup>st</sup> March, 2013 the balance sheet of H Ltd. and its subsidiary S Ltd. stood as follows :

<i>Liabilities</i>	<i>H Ltd</i>	<i>S Ltd</i>	<i>Assets</i>	<i>H Ltd</i>	<i>S Ltd</i>
	(Rs.)	(Rs.)		(Rs.)	(Rs.)
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

5

Draw a consolidated balance sheet as at 31<sup>st</sup> March, 2013 after taking into consideration the following information :

- (i) H Ltd. acquired the share on 31<sup>st</sup> July, 2012.
- (ii) S Ltd. earned profit of Rs. 45,000 for the year ended 31<sup>st</sup> March, 2013.
- (iii) In January 2013 S Ltd. sold to H Ltd. goods costing Rs. 15,000 for Rs. 20,000. On 31<sup>st</sup> March, 2013 half of these goods were lying as unsold in the godown of H Ltd.

Draft a Consolidated Balance Sheet of 'H' Ltd. and its subsidiary. Give your working notes.

17. A company went into voluntary liquidation on 31.03.2013 : when the following balance sheet was prepared :

<i>Liabilities</i>	<i>Rs.</i>	<i>Assets</i>	<i>Rs.</i>
<b>Authorised capital :</b>		<b>Goodwill</b>	<b>6,960</b>
4,000 shares of Rs. 10 each	40,000	Freehold property	5,000
<b>Issued capital :</b>		Machinery	7,480
3,000 shares of Rs. 10 each	30,000	Stock	11,710
Unsecured creditors	15,432	Debtors	9,244
Partly unsecured creditors	5,836	Cash	100
Preferential creditors	810	Profit and Loss Account	11,816
Bank overdraft (unsecured)	232		
	<b>52,310</b>		<b>52,310</b>

Turn over

The liquidator realized the assets as follows :

Freehold property which was used in the first instance to pay the partly secured creditors pro-rata Rs. 3,600 ; Machinery Rs. 5,000 ; Stock Rs. 6,200 ; Debtors Rs. 8,700 ; Cash Rs. 100.

The expenses of liquidation amounted to Rs. 100 and the liquidator's remuneration was agreed at 2.5% on the amount realized including cash and 2 % on the amount paid to unsecured creditors.

Prepare the Liquidator's final statement of account.

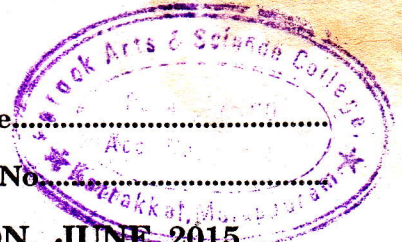
(2 × 6 = 12 weightage)

C 83762

(Pages : 4)

Name.....

Reg. No.....



**SECOND SEMESTER M.Com. DEGREE EXAMINATION, JUNE 2015**

(CUCSS)

MC 2C 07—ADVANCED CORPORATE ACCOUNTING

(2010 Admissions)

Time : Three Hours

Maximum : 36 Weightage

**Part A**

*Answer all questions.*

*Each question carries 1 weightage.*

1. Define 'Purchase consideration'.
2. What do you mean by the term "contributory" ?
3. Define a 'Holding Company'.
4. Explain CPP method for 'Price Level Changes'.
5. Define 'GAAP'.
6. Define 'Deductive Approach'.

(6 × 1 = 6 weightage)

**Part B**

*Answer any six questions.*

*Each question carries 3 weightage.*

7. Explain the various lists to be attached to the Statement of Affairs.
8. What are the advantages of Consolidation of Final Statement of Accounts of a Holding Company ?
9. Explain the advantages of Human Resource Accounting.
10. What is AS-9 concerned with ? Explain it briefly.
11. A Ltd. acquired the undertaking of B Ltd. on 31. 3. 2012 which went into liquidation. The Balance Sheet of B Ltd. as on that date was :

*Balance Sheet of the Company as on 31. 3. 2012.*

	Rs.		Rs.
Authorized and Issued Capital		Buildings	... 1,75,000
Equity shares of Rs.100 each	... 5,23,000	Plant and Machinery	... 2,25,000
Profit and Loss account	... 92,000	Office Equipment	... 80,000

**Turn over**

*Balance Sheet of the Company as on 31.3.2012.*

Rs.		Rs.	
Sundry creditors	... 1,00,000	Furniture	... 27,000
Outstanding bills	... 70,000	Stock	... 83,000
		Sundry debtors	... 1,50,000
		Loans and advances	... 15,000
		Cash balance	... 30,000
	<u>7,85,000</u>		<u>7,85,000</u>

A Ltd. took over all the assets except cash balance and agreed to pay trade liabilities. The purchase consideration was the exchange of 7 equity share of Rs.100 each paid up value of Rs. 90 per share in A Ltd. for every 6 shares of Rs.100 each in B Ltd and fraction shares were to be paid in cash. The cost of liquidation was Rs. 5,000 which A Ltd. had agreed to bear. The market value of shares of A Ltd. Rs. 90 paid up was Rs.120 per share. Prepare the necessary accounts in the books of B Ltd.

12. The following particulars relate to a limited company which has gone into voluntary liquidation. You are required to prepare the Liquidator's Final account allowing for his remuneration at 2 % on the amount realized on assets and 2 % on the amount distributed to unsecured creditors other than preferential creditors :

Rs.		Rs.	
Unsecured creditors	... 2,24,000	Debentures	... 75,000
Preferential creditors	... 70,000		

The assets realized the following sums :

Rs.		Rs.	
Cash in hand	... 20,000	Land and Buildings	... 1,30,000
Plant and Machinery	... 1,10,500	Fixtures and Fittings	... 7,500

The liquidation expenses amount to Rs. 2,000. A call of Rs. 2 per share on the partly paid 10,000 equity shares was made and duly paid except in case of one shareholder owning 500 shares.

13. From the balance sheet given below prepare a Consolidated balance sheet of H. Ltd and its subsidiary company S. Ltd.

<i>Liabilities</i>	H Ltd.	S Ltd.	<i>Assets</i>	H Ltd.	S Ltd.
	Rs.	Rs.		Rs.	Rs.
Share Capital :			Land and Building	6,40,000	2,00,000
Rs.10 shares each			Machinery ...	12,60,000	3,40,000
fully paid	... 25,00,000	6,00,000	Furniture ...	1,40,000	60,000
General reserve	... 3,60,000	1,20,000	Sundry Debtors	3,80,000	1,00,000

<i>Liabilities</i>	H Ltd.		S Ltd.		<i>Assets</i>	H Ltd.		S Ltd.	
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
P and L account ...	2,40,000	1,80,000			Bank balance ...	1,20,000		50,000	
Sundry Creditors ...	3,50,000	1,00,000			Investment in 40,000 Shares of S Ltd. ...	5,00,000			
					Stock ...	4,10,000		2,50,000	
						<u>34,50,000</u>		<u>10,00,000</u>	
								<u>34,50,000</u>	<u>10,00,000</u>

At the date of acquisition of H Ltd. of its holding of 40,000 shares in S Ltd., the latter company had undistributed profits and reserves amounting to Rs.1,00,000, none of which has been distributed since then.

14. From the following details ascertain : (i) cost of sales ; and (ii) closing inventory as per CPP method when the firm is following FIFO method :

	<i>Historical (Rs.)</i>	<i>Price Index</i>
Opening stock on 1. 1. 2011 ...	4,000	80
Add : Purchases during 2011 ...	20,000	125
Closing stock (out of purchases made in the last quarter) ...	3,000	120
Index No. on 31 <sup>st</sup> December, 2011 ...		140

(6 × 3 = 18 weightage)

### Part C

Answer any two questions.

Each question carries 6 weightage.

15. The Balance Sheets of H Ltd. and S Ltd. on 31<sup>st</sup> March, 2012 were as follows :

<i>Liabilities</i>	H Ltd.		S Ltd.		<i>Assets</i>	H Ltd.		S Ltd.	
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Share Capital :					Land and Building ...	3,10,000		1,60,000	
Rs.10 shares each fully paid ...	10,00,000	4,00,000			Machinery less 10% depreciation ...	2,70,000		1,35,000	
10% Preference share of Rs.100 each ...	—	1,00,000			Sundry Debtors ...	1,55,000		90,000	
General reserve ...	1,00,000	50,000			Bank balance ...	85,000		1,95,000	
Profit and Loss account (1.4.11) ...	40,000	30,000			Stock ...	2,20,000		1,50,000	
Profit for 2011 – 2012 ...	2,00,000	80,000			Investment in 3,000 shares of S Ltd. ...	4,50,000			
Sundry Creditors ...	1,50,000	70,000							
						<u>14,90,000</u>		<u>7,30,000</u>	
								<u>14,90,000</u>	<u>7,30,000</u>

Turn over

H Ltd. acquired 3,000 equity shares in S Ltd. on 1<sup>st</sup> October 2011. As on the date of acquisition, H Ltd. found that the value of land and buildings and machinery of S Ltd. should be Rs. 1,50,000 and Rs.1,92,500 respectively. Prepare the consolidated balance sheet on H Ltd, and its subsidiary S Ltd. as on 31<sup>st</sup> March, 2012 taking into consideration the fact that assets are to be taken at their proper values.

16. The following information was extracted from the books of a limited company on 31<sup>st</sup> December 2012 on which date a winding up order was made :

	Rs.
Cash in hand	5,000
Stock in trade (estimated to produce Rs. 15,000)	20,000
Fixture and fittings (estimated to produce Rs. 2,100)	3,000
Plant and Machinery (estimated to produce Rs. 15,600)	15,000
Freehold land and buildings (estimated to produce Rs. 45,000)	30,000
Book debts (estimated to produce Rs. 5,200)	6,200
Unsecured creditors	70,000
Preferential creditors	2,000
Creditors fully secured (value of securities Rs. 11,000)	9,000
Creditors partly secured (value of securities Rs. 6,000)	10,000
Bank overdraft, secured by floating charge on all the assets of the Company	8,000
Equity share capital – 6,000 shares of Rs.10 each	60,000
10% debentures secured by floating charge on all the assets of the Company (interest paid to date)	50,000
11% preference share capital – 6,500 shares of Rs.10 each	65,000
Calls in arrears on equity shares (estimated to produce Rs. 1,000)	2,500

Make out statement of affairs as regards creditors and contributories.

17. Explain the Arguments for and against the International Accounting Standards.

(2 × 6 = 12 weightage)

C 42722

(Pages : 2)

Name.....

Reg. No.....

SECOND SEMESTER M.Com. DEGREE (REGULAR/SUPPLEMENTARY)  
EXAMINATION, APRIL 2023

(CBCSS)

M.Com.

MCM 2C 07—ADVANCED STRATEGIC MANAGEMENT

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

**Part A**

*Answer any four questions.  
Each question carries 2 weightage.*

1. What is organisational appraisal ?
2. What is Vision ?
3. What is ETOP analysis ?
4. What is Divestment ?
5. What is functional implementation ?
6. What is KPI ?
7. What are some factors to be considered in strategic choice ?

(4 × 2 = 8 weightage)

**Part B**

*Answer any four questions.  
Each question carries 3 weightage.*

8. Discuss the elements of micro environment of a firm.
9. What are the techniques used in forecasting environmental factors ?
10. Discuss Porter's Generic strategy.
11. Discuss Mintzberg's five Ps strategy ?
12. Discuss four types merger with examples.

**Turn over**

13. Explain balanced scorecard.
14. Discuss DuPont control model.

(4 × 3 = 12 weightage)

**Part C**

*Answer any two questions.  
Each question carries 5 weightage.*

15. Discuss the emerging trends in strategic management
16. What is environmental analysis ? Discuss the macro environment, with the implications of each environmental factor.
17. What is expansion strategy ? Discuss different types of expansion strategies.
18. What is strategy implementation ? Discuss different types of strategy implementation.

(2 × 5 = 10 weightage)

C 24565

(Pages : 2 + 4 = 6)

Name.....

Reg. No.....

**SECOND SEMESTER M.Com. DEGREE (CBCSS—SDE/PRIVATE)  
EXAMINATION, APRIL 2022**

M.Com.

MCM 2C 07—ADVANCED STRATEGIC MANAGEMENT

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

**Section A**

*Answer any **four** questions.  
Each question carries 2 weightage.*

1. What is strategic intent ?
2. What is benchmarking ?
3. What is competitive advantage ?
4. What is turnaround strategy ?
5. What is organisational redesign ?
6. What is behavioural implementation ?
7. What is DuPont Control model ?

(4 × 2 = 8 weightage)

**Section B**

*Answer any **four** questions.  
Each question carries 3 weightage.*

8. Discuss main approaches to strategic decision making.
9. Distinguish between differentiation and diversification.
10. Discuss Porter's Five Forces analysis.
11. Discuss McKinsey's 7-S framework.
12. Distinguish between strategic alliance and joint venture.

**Turn over**

13. What is micro environment? Discuss its implications.
14. Discuss balanced scorecard.

(4 × 3 = 12 weightage)

### Section C

*Answer any **two** questions.  
Each question carries 5 weightage.*

15. Discuss portfolio models.
16. What are different types of strategy implementation ?
17. What is corporate level strategy? Discuss various corporate level strategies.
18. What is strategic management? Discuss the process of strategic management.

(2 × 5 = 10 weightage)

C 23292

(Pages : 2)

Name.....

Reg. No.....

**SECOND SEMESTER M.Com. DEGREE (REGULAR/SUPPLEMENTARY)  
EXAMINATION, APRIL 2022**

**April 2021 Session for SDE/Private Students**

(CBCSS)

Master of Commerce

MCM 2C 07—ADVANCED STRATEGIC MANAGEMENT

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

**General Instructions**

**Covid Instructions are not applicable for Pvt/SDE students**

1. *In cases where choices are provided, students can attend **all** questions in each section.*
2. *The minimum number of questions to be attended from the Section / Part shall remain the same.*
3. *The instruction if any, to attend a minimum number of questions from each sub section / sub part / sub division may be ignored.*
4. *There will be an overall ceiling for each Section / Part that is equivalent to the maximum weightage of the Section / Part.*

**Part A**

*Answer any **four** questions.  
Each question carries 2 weightage.*

1. Define Strategy.
2. What do you mean by SBU ?
3. Differentiate competitive advantage and core competency.
4. What is Environmental Scanning ?
5. What is Strategic Alliance ?
6. State the meaning of Strategic Control.
7. What is Balanced Score Card ?

(4 × 2 = 8 weightage)

**Turn over**

**Part B**

*Answer any four questions.  
Each question carries 3 weightage.*

8. Discuss the characteristics of strategic management.
9. Write the importance of mission statement.
10. Briefly explain the steps in strategic formulation.
11. What are the major reasons for a company to adopt diversification strategies ?
12. Write the different forms of retrenchment strategies.
13. Explore how competitive analysis can be done using Porter's five forces model.
14. Briefly discuss SWOT analysis.

(4 × 3 = 12 weightage)

**Part C**

*Answer any two questions.  
Each question carries 5 weightage.*

15. Explain in detail the components of External Business Environment.
16. Discuss corporate portfolio analysis.
17. "Resource allocation is a powerful tool to communicate the strategies of the organisation". Justify.
18. Discuss the tools used for of strategic evaluation and control.

(2 × 5 = 10 weightage)





10. Describe Michael Porter Competitive strategy.
11. Enumerate some characteristics of strategic management.
12. What can executives do to properly implement strategic plan ?
13. What is Portfolio strategic management and write the major process of portfolio strategic management ?
14. How do companies benefit from forming international joint ventures and strategic alliances ?

(4 × 3 = 12 weightage)

### Section C

*Answer any two questions.*

*Each question carries 5 weightage.*

15. Define strategic evaluation and control. Discuss the techniques the techniques of strategy evaluation and control in details.
16. Describe various issues related to behaviour affect the strategy implementation strategy.
17. What is environmental scanning and what are the different techniques of environmental scanning ?
18. Explain the process involved in strategic choice and major subjective issues of strategic choice.

(2 × 5 = 10 weightage)

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(Pages : 2)

Name.....

Reg. No.....

SECOND SEMESTER M.A./M.Sc./M.Com. DEGREE EXAMINATION, JUNE 2020

(CBCSS)

M.Com.

MCM 2C 07—ADVANCED STRATEGIC MANAGEMENT

(2019 Admissions)

Time : Three Hours

Maximum : 30 Weightage

**Section A**

*Answer any four questions.  
Each question carries 2 weightage.*

1. Differentiate vision and mission.
2. What is SWOC analysis ?
3. Explain strategic formulation.
4. Describe the term strategic management.
5. What do you mean by sustained competitive advantage ?
6. What are the essentials of a good strategy ?
7. What is defensive mode of strategic choice ?

(4 × 2 = 8 weightage)

**Section B**

*Answer any four questions.  
Each question carries 3 weightage.*

8. Explain the emerging trends in strategic management.
9. How does a strategic plan get implemented ?
10. Define strategic choices and explain the process of developing strategic choices.
11. Discuss the 5 P's of Mintzberg regarding strategy.
12. What is corporate level strategy ? How corporate level of strategy is different from business level strategy ?
13. What are the strategies to be followed by the business for maintaining long term relationship with their customers ?
14. Point out the benefits and limitations of strategic evaluation and control.

(4 × 3 = 12 weightage)

**Turn over**

**Section C**

*Answer any two questions.*

*Each question carries 5 weightage.*

15. Discuss the various factors affecting the aspects of strategic analysis.
16. Define strategy management. Explain in details the process to strategic management.
17. Discuss various barriers challenging the strategy formulators while implementing strategy and the ways through which these barriers can be overcome for the successful implementation of the strategy.
18. What do you meant by strategy implementation and discuss the various approaches to the implementation of strategy ?

(2 × 5 = 10 weightage)