

AN-105

April-2025

B.B.A., Sem.-IV

DSC-M-244 : Company Accounts

(NEP)

Time : 2:00 Hours]

[Max. Marks : 50

1. The ABC Traders Ltd. purchased a running business of a partnership firm as on 1-1-2024. The company was incorporated on 1-5-2024. The following are the particulars for the year ended 31-12-2024 : 10

- (1) The turnover for the whole year ended on 31-12-2024 amounted to ₹ 72,00,000 out of which ₹ 12,00,000 related to the period from 1-1-2024 to 1-5-2024.
- (2) The Trading Account showed a gross profit of ₹ 28,80,000.
- (3) The following items appear in Profit & Loss Account :

	₹
Director's fees	45,000
Auditor's fees	22,500
Rent and Rates	1,44,000
Staff Salaries	3,60,000
Bad Debts (out of which ₹ 21,000 related to debtors before 1-5-2024)	60,000
Debenture interest	1,80,000
Depreciation on Plant & Machinery	1,08,000
Preliminary expenses	72,000
General expenses	54,000
Commission on sales	1,08,000
Printing & Stationery	72,000

From the above information, prepare a statement showing (i) Pre-incorporation profit and (ii) Post-incorporation profit.

OR

1. (A) Discuss the guidelines for the issue of Bonus Shares. 5
- (B) Write Journal Entry : 5
 - (1) The company has issued 1,000 equity shares of ₹ 10 each in exchange of equity stock of ₹ 9,200.
 - (2) A company has converted its 100 equity shares of ₹ 100 each into equity stock of ₹ 9,500.
 - (3) The authorized capital of a company was 8,000 shares of ₹ 100 each and it was increased to ₹ 9,00,000.

2. The Trial Balance of Hemant Ltd. as on 31-3-2025 is as follows :

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Debit Balances	₹	Credit Balances	₹
Land & Building	36,00,000	Equity Share Capital	25,65,000
Purchase	13,50,000	Securities Premium	2,89,500
Cash & Bank	72,000	Provident Fund	1,05,000
Long term investments	2,17,500	10% Debentures	3,90,000
Bad debts	22,500	Sales	27,75,000
Salary	99,000	Creditors	4,80,000
Office expenses	4,29,000	Profit & Loss Statement	
Interest on debentures	15,000	– Surplus 1-4-2024	1,20,000
Income tax paid in advance	75,000	Sundry Income	13,500
Debtors	7,95,000	Bad debt reserve	12,000
Stock (1-4-2024)	75,000		
	67,50,000		67,50,000

After considering the following informations, prepare Final Accounts as per Schedule – III of the Company Act, 2013 :

- (1) The closing stock is valued at ₹ 97,500.
- (2) Make provision for taxation at ₹ 2,10,000.
- (3) Provide 10% bad debts and 5% bad debts reserve on debtors.
- (4) Provide depreciation 7.5% on Land and Building.

OR

2. (A) From the following information, prepare Profit and Loss Statement as per the Part-II of Schedule – III of the Companies Act, 2013 :

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	₹
Revenue from Operations	52,00,000
Employee Benefit Expenses	9,00,000
Depreciation and Amortisation of Assets	3,00,000
Consumption of Raw Materials	20,00,000
Other Incomes	2,80,000
Finance Costs	1,20,000
Other Expenses	3,70,000
Change in value of stock	3,00,000
Tax Rate is 50%	

(B) Prepare Vertical Balance Sheet with imaginary figures.

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3. Nidhi Ltd. and Vidhi Ltd. were amalgamated on 1-4-2024. A new company Helly Ltd. was formed to take over the business of the existing companies. The balance sheet of Nidhi Ltd. and Vidhi Ltd. as on 31-3-2024 are as under :

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Particulars	Note No.	Nidhi Ltd. ₹	Vidhi Ltd. ₹
I. Equity and Liabilities :			
(1) Shareholders funds :			
(A) Share Capital :			
Equity share capital of ₹ 10 each fully paid up		17,00,000	14,50,000
14% Preference share capital of ₹ 100 each fully paid up		6,40,000	3,50,000
(B) Reserves & Surplus :			
Revaluation Reserve		2,50,000	1,60,000
General Reserve		4,80,000	3,20,000
Investment Allowance Reserve		1,00,000	60,000
Profit & Loss a/c		1,50,000	1,04,000
(2) Non-Current Liabilities :			
12% Debentures of ₹ 100 each		1,00,000	56,000
Public Deposits		50,000	–
(3) Current Liabilities :			
Creditors		2,90,000	1,50,000
Bills Payable		40,000	–
TOTAL		38,00,000	26,50,000
II. Assets :			
(1) Non-Current Assets :			
(A) Fixed Assets :			
Land & Building		9,20,000	5,50,000
Plant & Machinery		6,50,000	4,20,000
(B) Non-Current Investments :			
Investments		1,50,000	1,00,000
(2) Current Assets :			
Stock		6,50,000	5,38,000
Debtors		6,10,000	5,40,000
Bills Receivables		50,000	–
Cash & Bank		7,70,000	5,02,000
TOTAL		38,00,000	26,50,000

Additional Information :

- (1) 12% Debenture holders of Nidhi Ltd. and Vidhi Ltd. are discharged by issuing such number of its 15% Debentures of ₹ 100 each to maintain the same amount of interest.
 - (2) Preference shareholders of two companies are issued equivalent number of 15% preference shares of Helly Ltd. at a price of ₹ 125 per share, Face value ₹ 100.
 - (3) Helly Ltd. will issue 2 equity shares for each 5 equity share of Nidhi Ltd. and 3 equity shares for each 10 equity shares of Vidhi Ltd. The shares are to be issued at ₹ 35 each, having a face value of ₹ 10 per share.
 - (4) Investment allowance reserve is to be maintained for 2 more years.
- Assuming that amalgamation is in the nature of purchase, prepare Balance Sheet of Helly Ltd. as on 1-4-2024.

OR

3. (A) From the following details, find out intrinsic value, market value and fair value of the share : **5**
- Expected rate of return 12%
Net assets for valuation of share ₹ 16,08,000
Equity shares 10,000 of ₹ 100 each fully paid up.
There is no preference share capital
Average profit is ₹ 1,92,960
- (B) Discuss factors affecting Valuation of Shares. **5**
4. What is Cloud Accounting ? Discuss benefits and practical issues in adoption of Cloud Accounting. **10**

OR

4. (A) Discuss the overview of Corporate Social Responsibility in India. **5**
(B) Discuss the future trends of Artificial Intelligence in Accounting. **5**
5. Do as directed : (Any **Ten**) **10**
- (1) Forensic Accounting detects _____ frauds. (Financial / Non-Financial)
 - (2) _____ Schedule is applicable to CSR. (VII / III / IV)
 - (3) Capital Redemption Reserve can be used for making partly paid shares fully paid. (True/False)
 - (4) Converting the shares of high value into shares of small value is called sub division of shares. (True / False)
 - (5) Profit of Pre-incorporation period is called _____. (Capital Profit / Revenue Profit)
 - (6) A company has 2,00,000 equity shares of ₹ 10 each, ₹ 7 per share paid up, then interim dividend payable at 8% will be _____. (₹ 1,12,000 / ₹ 1,60,000)
 - (7) Bills Payable is shown under Current Liabilities in Balance Sheet. (True / False)
 - (8) Trademark is an _____ assets. (Tangible / Intangible)
 - (9) On the basis of net asset, _____ price of share is decided. (Market / Intrinsic)
 - (10) Accounting Standard _____ relates to Amalgamation Accounts. (12/14/3/6)
 - (11) XYZ Ltd.'s purchase consideration is ₹ 15,000 and Net Assets ₹ 6,000, then –
 - (a) Goodwill ₹ 9,000
 - (b) Capital Reserve ₹ 9,000
 - (c) Goodwill ₹ 21,000
 - (d) Capital Reserve ₹ 21,000
 - (12) RPA stands for Robotic Process Automation. (True / False)