

IMBA in FM/HRPA/BM/BEM Sem.-4 (Rep.) Examination
BEM/HR/FM/BBA_CC_206

C. A.

Time : 2-30 Hours]

May-2025

[Max. Marks : 70

Q.1) Joshi Ltd. Has authorized capital of Rs. 2,50,000 divided into 25,000 Equity shares (14) of Rs. 10 each. Their books show the following balances as on 31st March, 2018.

Debit Balances	Rs.	Credit Balances	Rs.
Stock (1/4/2017)	33,250	Equity Share Capital (10,000 Eq. Sh. Of Rs. 10)	1,00,000
Discount Allowed	1,500	2% Debentures (Repayable after 10 years)	25,000
Carriage Inwards	2,875	Bank Overdraft	37,850
Trademark	18,750	Sundry Creditors for goods	12,025
Taxes and Insurances	2,750	Sales	1,80,850
Furniture	7,500	Rent (Credit)	1,500
Purchased Material	61,625	Transfer fees	325
Wages	65,250	P & L Account	3,350
Land	62,500		
Coal	3,150		
Manufacturing Tools	7,500		
Goodwill	18,750		
Sundry Debtors	13,300		
Trade Receivable	6,725		
Advertisement	750		
Commission	3,375		
Business Expenses	2,800		
Cash and Bank Balance	5,000		
Debenture Interest (for half year)	500		
Bank Interest	4,550		
Preliminary Expenses	500		
Calls in arrears	500		
Plant and Machinery	37,500		
	3,60,900		3,60,900

Additional Information:

1. The stock as on 31st March, 2018 was Rs. 35,400.

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2. outstanding liabilities for wages Rs. 1,250 and Business Expenses Rs. 1,250.
 3. Dividend Proposed at 10% on paid-up capital.
 4. Depreciation charged on Manufacturing Tools at 20%, Treadmark at 10% and Furniture at 10%.
 5. Provide 2% on Debtors as reserve for doubtful debts after writing off Rs. 1,075 as Bad Debts.
 6. Write off Preliminary Expenses Rs. 250, Provide Rs. 12,000 for Income-Tax and also create Debenture Redemption Reserve Rs. 2,500.

Q.2) The Balance sheet of Solanki Co. Ltd. as at 31st March 2020 was as under:

(14)

Particulars	Note No.	₹	₹
[A] Equity and Liabilities			
[1] Shareholders' Fund:			
(A) Share Capital			
Authorized Capital			6,00,000
Issued: (40,000 Shares of Rs. 10 each)			4,00,000
(B) Reserves & Surplus			
Profit & Loss A/c			2,40,000
[2] Non- Current Liabilities:			
5% Debentures			2,60,000
[3] Current Liabilities:			
Creditors			1,40,000
TOTAL			10,40,000
[B] Assets			
[1] Non- Current Assets:			
Freehold Properties			2,00,000
[2] Current Assets:			
Stock		2,40,000	
Debtors		2,00,000	
Balance at Bank		4,00,000	8,40,000
TOTAL			10,40,000

At the annual meeting it was agreed:

1. To pay a dividend in cash of 10% free of tax (Rate of deduction of Income- tax is 20%)
2. To Issue one Bonus Share for every four old shares held.
3. To give existing shareholders the option to purchase one share of Rs. 10 each at Rs. 15 per share, for every four-share held prior to the Bonus distribution.

All the shareholders exercised their option.

4. To repay the debentures at a premium of 3%.

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Give the necessary journal entries and give the Balance Sheet after transactions are completed.

OR

Q.2) Answer the following:

(A) Prepare a Vertical Profit and Loss Account as per the latest format of Companies Act.

(B) Following is the balance sheet of Shah Ltd as at 31/3/2021:

Particulars	Note No.	₹	₹
[A] Equity and Liabilities			
[1] Shareholders' Fund:			
(A) Share Capital			
30,000 Equity share of Rs. 10 each, Rs. 8 Paid up		2,40,000	
9% Preference capital of Rs. 100 each fully paid up		3,60,000	6,00,000
(B) Reserves & Surplus			
Securities Premium		20,000	
General Reserve		40,000	
Profit & Loss A/c		30,000	90,000
[3] Current Liabilities:			
Other Liabilities			1,35,000
TOTAL			8,25,000
[B] Assets			
[1] Non- Current Assets:			
Investments		1,50,000	
Fixed Assets		3,00,000	4,50,000
[2] Current Assets:			
Stock		60,000	
Debtors		1,15,000	
Balance at Bank		2,00,000	3,75,000
TOTAL			8,25,000

As per the legal provisions company took all necessary steps to make the buyback of equity share capital. Then company resolved to issue 9%, 600 preferences shares of Rs. 100 each at par in order to Buy-Back 20% equity capital of the company. The new preference shares fully subscribed. The company also issued 500, 8% debentures of Rs. 100 each fully paid up.

Pass journal entries and prepare the Balance Sheet of the Company after Buy Back.

Q.3) Sukh Ltd. and Shanti Ltd. were amalgamated on 1st April, 2021. A new company Shakti Ltd. (14) was formed to take over the business of the existing companies. Balance sheet of both the companies as on 31/3/2021 are as under:

Particulars	Sukh Ltd.	Shanti Ltd.
A. EQUITY AND LIABILITIES:		
(1) Shareholders' Fund:		
(a) Share Capital		
Equity share capital of Rs. 10 each	18,00,000	12,00,000
12% Preference share of Rs. 100 each	7,00,000	5,00,000
(b) Reserves and Surplus:		
Revaluation Reserve	1,50,000	1,00,000
General Reserve	4,20,000	2,25,000
Profit and Loss Account	2,00,000	1,50,000
Investment Allowance Reserve	1,00,000	70,000
Export Profit Reserve	1,50,000	80,000
(2) Non- Current Liabilities		
(a) Long Term Borrowing		
13% Debentures	1,80,000	75,000
Public Deposits	50,000	70,000
(3) Current Liabilities		
(a) Trade Payables:		
Creditors	2,00,000	1,50,000
Bills Payable	50,000	80,000
TOTAL	40,00,000	27,00,000
B. ASSETS		
(1) Non- Current Assets		
(a) Fix Assets:		
(i) Tangible Assets		
Land and Building	12,00,000	6,00,000
Plant and Machinery	7,00,000	5,00,000
(b) Non- Current Investment	2,00,000	1,50,000
(2) Current Assets:		
(a) Inventories: Stock	8,00,000	6,00,000
(b) Trade Receivables: Debtors	6,50,000	5,50,000
(c) Cash and Bank Balance	4,50,000	3,00,000
TOTAL	40,00,000	27,00,000

Additional Information:

1. Shakti Ltd. will issue 2 Equity Share for each 3 Equity Share of Sukh Ltd. and 1 Equity Share for each 3 Equity Share of Shanti Ltd. The share is to be issued at Rs. 20 each, having a face value of Rs. 10 each.
2. Preference shareholders of the two companies are issued equivalent number of 15% Preference share of Rs. 100 each of Shakti Ltd. at a price of 110 per share.
3. 13% Debenture holders of Sukh Ltd. And Shanti Ltd. are discharged by Shakti Ltd. by issuing such number of its 15% Debentures of Rs. 100 each so as to maintain the same amount of interest.
4. Statutory reserves are to be maintained for 3 more years.

Assuming that the Amalgamation is in the following two forms, prepare balance sheet of Shakti Ltd. as on 1st April, 2021.

(A) Amalgamation in the form of Purchase.

(B) Amalgamation in the form of Merger.

OR

Q.3) Distinguish between 'Pooling of Interest Method' and 'Purchase Method' of Amalgamation.

Q.4) Explain the meaning of Human Resource Accounting, also explain the Cost based Methods of Human Resource Valuation. **(14)**

OR

Q.4) Discuss the various Forms of Environmental Accounting in detail.

Q.5) Answer the Following: **(14)**

1. Explain the term: Finance Cost
 2. What is the difference between Absorption & External Reconstruction?
 3. Define: Inflation Accounting
 4. Explain the term: 'Intangible Assets under Development'
 5. Discuss one practical example of Amalgamation in brief.
 6. What is difference between Deferred Tax Liabilities & Deferred Tax Assets.
 7. What is CPP Method of Inflation Accounting?
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