

R/E (60:40)

R-2016-17 till 2022-23

E-2016-17 till 2019-20

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MASTER OF COMMERCE (M.COM.)

EXAMINATION : December 2022

SECOND SEMESTER

Sub: Company Accounting (MCA-211)

Date: 16/12/2022

Total Marks :60

Time: 10.00 am to 12.30 pm

Instructions:

- 1) All questions are compulsory.
- 2) Figures to the right indicate full marks.

Q.1 Answer the following questions. (Attempt any two)

(32)

1. The Balance Sheets of H Ltd. And S Ltd. As on 31st March 2021 are given below:

I.	EQUITY AND LIABILITIES	H Ltd.	S Ltd.
		Amount(Rs.)	Amount (Rs.)
	1. Shareholder's Funds		
	a. Share capital		
	Authorized, Issued, subscribed and paid up capital		
	Equity shares of Rs.100 each, fully called up and paid up	600000	200000
	b. Reserves and surplus		
	General Reserve	60000	40000
	Profit and Loss A/c.	80000	30000
	2. Current Liabilities		
	Trade Payables	75000	48000
	TOTAL	815000	318000
II	ASSETS		
	a) Fixed Assets		
	Tangible fixed assets	591000	318000

	b) Long term Investment		
	1600 shares in S Ltd.(at cost)	224000	
	TOTAL	815000	318000

H Ltd. Acquired the shares in S Ltd. On 31st March 2021. The plant worth book value of Rs. 60000 included in sundry assets of S Ltd. was revalued at Rs. 50000 on this date.

Prepare the consolidated balance sheets of H Ltd. and S Ltd. as on that date.

2. What is meant by Managerial Remuneration? Describe in detail rates of remuneration for Manager and Director
3. The company incorporated on 1st May 2021 acquired a business as a going concern with effect from 1st Jan 2021. The final accounts were drawn upto September 30, 2021.
 - The gross profit is Rs. 224000. The general expenses are Rs. 56880, director's remuneration Rs. 4000 p.m., formation expenses amounted to Rs.6000, rent which till June 30, 2021 was Rs.400 p.m. was increased to Rs.12000 per annum from July 1, 2021.
 - The manager of the earlier firm whose salary was Rs. 2000 p.m. was made as director upon the incorporation and his remuneration thereafter is included in the figure of Director's Remuneration given earlier.

Prepare Profit and Loss account for the period and find out the profits available for dividends and the profit prior to incorporation

4. Explain in detail Cash and cash equivalents

Q.2 Answer the following. (Attempt any one)

(08)

1. From the following balance sheet of Maharashtra products Ltd., find out the values of equity shares and preference shares:

PARTICULARS	NOTE NO	AMOUNT AS AT 31 ST MARCH 2021
		Rs.
I) EQUITY AND LIABILITIES		
1. Shareholder's Funds		
a) Share capital	1	300000
b) Reserve and Surplus	2	40000
2. Current Liabilities		
a) Short term borrowings	3	5000
b) Trade Payables		60000

c) Other current liabilities		20000
TOTAL		425000
II) ASSETS		
1) Non-Current Assets		
a) Fixed assets	4	190000
b) Preliminary expenses	5	3000
2) Current Assets		
a) Inventories		80000
b) Trade receivables		150000
c) Cash at Bank		2000
TOTAL		425000
Note No.1 Share Capital		
20000 equity shares of Rs.10 each		200000
8% 1000 preference shares of Rs. 100 each		100000
		300000
Note No.2 Reserves and surplus		
Reserve		30000
Profit and loss account		10000
		40000
Note No.3 Short term Borrowings		
Overdraft		5000
Note No.4 Fixed Assets		

Machinery		160000
Furniture		5000
Goodwill		25000
		190000
Note No.6 Other non-current Assets		
Preliminary expenses		3000

Further information:

Goodwill is valued at Rs. 15000. Stock is overvalued by Rs. 10000. Machinery is undervalued by Rs. 15000.

2. What do you mean by Underwriting commission?
3. Format of Profit and loss account.

Q.3 Write short notes. (Attempt any two) (10)

1. Human Resource Accounting
2. IFRS-2 Share based Payments
3. Cash and cash equivalents
4. Types of Underwriting

Q.4 Select the Correct Alternatives (Attempt Any Ten) (10)

1. Capital reserve account has to be shown in the liabilities side of the balance sheet under the heading _____.
 - a) Share capital
 - b) Reserves and surplus
 - c) Current assets
 - d) Fixed assets
2. International Accounting Standards (IAS) is formulated by _____.
 - a) International Financial Reporting Standards
 - b) Human Resource Accounting Board
 - c) International Accounting Standard Board
 - d) Environmental Accounting Board
3. _____ refers to definite commitment by the underwriter or group of underwriters to take up a specified number of shares or debentures of company.
 - a) Underwriting commission
 - b) Full underwriting
 - c) Firm Underwriting
 - d) Partial underwriting
4. The special resolution passed by the company for managerial remuneration will remain valid for _____ number of years.
 - a) 2
 - b) 5
 - c) 10
 - d) 8

5. Section _____ of the companies Act, 1956 contains the provisions relating to the remuneration payable to the directors.
- a) 309
b) 310
c) 387
d) 386
6. _____ reporting is the term now commonly used for environmentally related data.
- a) Industrial
b) Natural
c) Corporate
d) Environmental
7. _____ of accounting is followed in case of an amalgamation in the nature of merger.
- a) Net payment method
b) Net asset method
c) Pooling of interest method
d) Purchase method
8. Preliminary expenses are the item under _____ heads.
- a) Current Assets
b) Non-current assets
c) Fixed Assets
d) Profit and loss account
9. The persons or institutions underwriting a public issue of shares or debentures are called _____.
- a) Banks
b) Joint stock companies
c) underwriter
d) debenture holder
10. Brands/trademarks are one of the following assets.
- a) Tangible asset
b) Intangible asset
c) provision
d) current asset
11. Formula for productivity factor is _____.
- a) Profit /no. of equity shares
b) average profit/average net worth x 100
c) market value per share/earnings per share
d) profit for dividend/ total paid up equity capital
12. _____ is the claim of outside shareholders in the subsidiary company which has to be assessed and shown as a liability in the consolidated balance sheet.
- a) Pre-acquisition profit
b) Post acquisition profit
c) Minority interest
d) profit on revaluation
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