

QP CODE: F 4797



Reg No :

Name :

M.Com DEGREE (CSS) PRIVATE EXAMINATION, NOVEMBER 2023

Second Semester

Faculty of Commerce

COMMERCE

CORE - CM010201 - ADVANCED CORPORATE ACCOUNTING

2019 ADMISSION ONWARDS

9D9D266A

Time: 3 Hours

Weightage: 30

Instructions: (Applicable for 2020 Admission Onwards) This question paper contains two sections. Answer section I questions in the answer book provided. Section II Internal examination questions must be answered in the question paper itself. Follow the detailed instructions given under section II.

SECTION I

Part A (Short Answer Questions)

*Answer any **eight** questions.*

*Weight **1** each.*

1. State any two disadvantages of the Holding Company.
2. What is Interim Dividend?
3. Give the format of a Capital Account in Double Accounting.
4. Explain Institutional frame work under Insolvency and Bankruptcy Code.
5. Discuss the effect of bankruptcy order.
6. Explain preferential creditors as per Section 327 of the Companies Act 2013.
7. State the meaning of liquidation of company.
8. On the date of the liquidation of the company, the salaries for four clerks for 4 months at the rate of Rs14000 p.m and salaries of four peons for 3 months at the rate of Rs3000 p.m are outstanding. You are required to calculate the amount to be included in Preferential creditors and unsecured creditors.
9. What is voyage in progress? How it is calculated?
10. Name the main items of revenue expenditure of a hotel.

(8×1=8 weightage)

Part B (Short Essay/Problems)

*Answer any **six** questions.*

*Weight **2** each.*

11. Write a short note on Minority Interest.





12. What is the treatment of Contingent Liability while preparing consolidated balance sheet?
13. Explain the salient features of Double Account System.
14. *Windmill Ltd. supplying electricity maintains its accounts on double account basis. It incurred an expenditure of Rs. 25,00,000 to renovate its works. The relevant part of old works had costed Rs. 10,00,000. The capacity of new works will be double the capacity of old works. A sum of Rs. 5,00,000 is realized by the sale of old materials. Old materials of the value of Rs. 2,00,000 are used in the new works. Cost escalation (since old works were built) is as follows: Materials- 20 %; Labour- 25%. The cost constitutes 3/5 th for materials and 2/5 th for labour. Show (a) the amount of improvement to be capitalized (b) the amount to be written off to revenue and (c) journal entries to record the transactions.*
15. What do you mean by report of resolution professional on repayment plan?
16. What are the various modes of winding up or Liquidation?
17. What is statement of affairs? What are the steps involved in preparation of statement of affairs?
18. What are the types of underwritings?

(6×2=12 weightage)

Part C (Essay Type Questions)

Answer any **two** questions.

Weight 5 each.

19. *From the following Balance sheet of H Ltd. and its subsidiary S Ltd. as on 31st March 2011, and the additional information provided there after prepare consolidated Balance sheet on 31.3.11*

Liabilities	H Ltd. Rs.	S Ltd. Rs.	Assets	H Ltd. Rs.	S Ltd. Rs.
Share capital (Rs.10)	25,00,000	5,00,000	Land	5,00,000	1,00,000
Reserve	2,00,000	-	Building	10,00,000	3,00,000
Profit & Loss A/c	3,00,000	4,00,000	Machinery	6,00,000	4,50,000
Current Liabilities	1,60,000	90,000	Investment	7,50,000	12,000
			Current Assets	3,10,000	1,28,000
	31,60,000	9,90,000		31,60,000	9,90,000

Additional Information:

1. H. Ltd. acquired 40,000 Equity shares of S Ltd. for Rs. 7,00,000 on 1 July 2010.
 2. Land of S Ltd. was revolved as on 30.6.2010 Rs. 5,00,000
 3. S Ltd. declared & paid interim dividend @ 20% p.a. for 6 month ended on 30th September 2010. Dividend received by H Ltd., credited to profit a loss A/c
 4. Profit & Loss A/c of S Ltd. as on 1st April 2010 showed Dr. Balance amounting Rs. 4,00,000
20. *From the following information and details relating to the year ended 31st March 2018 and bearing in mind the provisions of the Electricity (Supply) Act, 1948, indicate the disposal of profits of ABC Electricity Corporation Ltd.*

	Rs.
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<i>Net Profit before charging interest</i>	<i>35,00,100</i>
<i>Fixed Assets</i>	<i>4,20,00,000</i>
<i>Depreciation Written Off on Fixed Assets</i>	<i>98,00,000</i>
<i>Loan from Electricity Board</i>	<i>1,20,00,000</i>
<i>6% Investment of the Reserve Fund (F.V. Rs.90,00,000)</i>	<i>90,00,000</i>
<i>6 % Investment of the Contingency Reserve</i>	<i>76,00,000</i>
<i>Tariffs & Dividend Control Reserve</i>	<i>8,40,000</i>
<i>Security Deposits from Customers</i>	<i>4,84,000</i>
<i>Customers' Contribution to Main Lines</i>	<i>3,20,000</i>
<i>Preliminary Expenses</i>	<i>1,40,000</i>
<i>Average of Current Assets- Excluding Customers' Balance of Rs. 6,20,000</i>	<i>23,70,000</i>
<i>Development Reserve</i>	<i>4,40,000</i>
<i>10% Debenture interest paid during the year</i>	<i>7,50,000</i>

The Reserve Bank of India rate on the relevant date was 8%.

21. The summarized Balance sheet of M Ltd as on 31.3.2017 being the date of voluntary winding up is as under:

Liabilities	Rs	Assets	Rs
12%cumulative preference shares of Rs100 each fully paid	10,00,000	Land &Building	3,86,000
5000, Equity shares of Rs100 each Rs60 paid up	3,00,000	Plant and Machinery	8,21,000
5000,Equity shares of Rs100 each Rs50 paid up	2,50,000	Stock	1,84,000
15% Debentures	4,00,000	Book debts	13,37,000
Preferential creditors	1,05,000	Surplus account	3,72,000
Bank overdraft	3,03,000		
Trade creditors	7,42,000		
	31,00,000		31,00,000

Preference dividend is in arrears for two years. On 31.3.2018 the assets were realized as follows:

Land &Building Rs 9, 84,000

Stock Rs 1, 63,000

Plant and Machinery Rs 7, 12,000

Book debts Rs 11, 91,000

Expenses of liquidation are Rs 54,000. The remuneration of the liquidator is 3% of the realization. Income tax payable on liquidation is Rs 44,500. Assuming that the final payments are made on 31.3.2018. Prepare Liquidator's Final statement of Account.

22. Explain the incomes and expenses of a shipping company in detail.

(2×5=10 weightage)