

Day : Monday

Time : 10:00 AM-01:00 PM

Date : 9/1/2023

W-18519-2022

Max. Marks : 60

N.B.:

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of **CALCULATOR** is allowed.

Q.1 The following is the Balance Sheet of Rupa Ltd. As on 31st March, 2019 **(16)**

Liabilities	Rs.	Assets	Rs.
Share Capital: 4000 Equity Shares of Rs. 100 each	4,00,000	Building	1,70,000
General Reserve	50,000	Plant & Machinery	4,00,000
Profit & Loss A/c	5,600	Investment	50,600
5% Debentures	2,50,000	Debtors	1,40,500
Creditors	1,28,700	Stock	80,700
Dividend Equalization Fund	24,000	Cash at Bank	16,500
	8,58,300		8,58,300

Rupa Ltd. was absorbed by Dipa Ltd. on the above date, on the following terms and conditions, Dipa Ltd. to:-

- a) Assume all liabilities and to acquire all assets except investments which were sold by Rupa Ltd. for Rs. 45,500.
- b) Discharge the debentures at a discount of 5% by issue of 7% Debentures in Dipa Ltd.
- c) Issue two shares of Rs. 60 each in Dipa Ltd. At Rs. 65 Per share and also pay Rs. 2 in cash to the shareholders of Rupa Ltd. in exchange for one share in Rupa Ltd.
- d) Pay the cost of absorption for Rs. 1,500.

With the consent of the shareholders, the Liquidator of Rupa Ltd. Sold off in open market one fifth of the shares received from Dipa Ltd. at the average rate of Rs. 63 per share:

You are required to Prepare Ledger A/c in the books of Rupa Ltd. and opening Journal Entries in the Books of Dipa Ltd.

OR

Q.1 a) What do you mean by Absorption of the company? What are the different modes of payment of purchase consideration? **(10)**

b) Explain concept of Accounting Theory. **(06)**

Q.2 X Ltd, and Y Ltd, are two companies carrying on business in the same line of activity. Their Balance Sheets as on 31st March, 2019 are given below: **(16)**

Liabilities	X Ltd.	Y Ltd.	Assets	X Ltd.	Y Ltd.
	Rs.	Rs.		Rs.	Rs.
Fully paid Equity shares of Rs. 10 each	6,00,000	2,00,000	Land and Buildings	1,00,000	-
General Reserve	4,00,000	2,00,000	Plant and Machinery	7,00,000	3,00,000
Secured Loans	6,00,000	1,00,000	Investments	1,00,000	-
Current Liabilities	6,00,000	4,00,000	Stocks	9,00,000	4,00,000
			Debtors	3,00,000	1,00,000
			Cash at Bank	1,00,000	1,00,000
	22,00,000	9,00,000		22,00,000	9,00,000

P. T. O.

The two companies decided to amalgamate into XY Ltd. The following further information is given.

- a) X Ltd, holds 8,000 Shares in Y Ltd, @ Rs. 12.50 each.
 - b) All assets and liabilities of the two companies, except Investments are taken over by XY Ltd.
 - c) Each share in Y Ltd, is values @ Rs. 25/- for the purpose of the amalgamation.
 - d) Shareholders in X Ltd, and Y Ltd, are paid off by issuing to them sufficient number of Equity Shares of Rs. 10 each in XY Ltd, as fully paid up at par.
 - e) Each Share in X Ltd, valued@ Rs. 15 for the purpose of the amalgamation.
- Show journal entries to close the books of both the companies.

OR

- Q.2** a) What do you mean by Cash Flow Statement? What are the main points of difference between Cash Flow Statement and Fund Flow Statement? (10)
- b) Explain the concept 'Current Cost Accounting'? (06)

- Q.3** The financial position of M/s A&B on Jan. 1 and December 31, 2018 was as follows: (16)

Liabilities	1 st Jan Rs.	31 st Dec. Rs.	Assets	1 st Jan Rs.	31 st Dec. Rs.
Current Liabilities	36,000	40,600	Cash	4,000	3,600
Mrs. A's Loan	-	20,000	Debtors	35,000	38,000
Loan from Bank	30,000	25,000	Stock	25,000	22,000
Hire- purchase vendor	-	20,000	Land	20,000	30,000
Capital	1,48,000	1,54,000	Building	50,000	55,000
			Machinery	80,000	86,000
			Delivery Van	-	25,000
	2,14,000	2,59,600		2,14,000	2,59,600

The delivery van was purchased in December, 2018 on hire-purchase basis; a payment of Rs. 5,000 was made immediately and the balance of the amount is to be paid in 20 monthly instalments of Rs. 1,000 each together with interest @ 12% p.a. During the year the partners withdrew Rs. 26,000 for domestic expenditure. The provision for depreciation against machinery on 31. 12. 2017 was Rs. 27,000 and on 31.12.2018, Rs. 36,000. You are required to prepare the Cash Flow Statement.

OR

- Q.3** a) What is 'Accounting Standards'? What are the advantages of setting Accounting Standards? (10)
- b) Discuss Professional Development of Accounting in India. (06)

- Q.4** Write short notes on any **THREE** of the following: (12)

- a) Purchase consideration
- b) External Reconstruction
- c) Role of Accounting Theory
- d) GAAP
- e) Utility of Cash Flow Statement

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