PRN:			Course Code :	CBC301R02

Third Year **B. Com.** End Semester Examination Winter 2023

Corporate Accounting

Day and Date: wednesday, 29/11/2023 Max Marks: **100**

Time : 2.00 to 5.00 PM Duration: **03** hrs

Instructions: All questions are compulsory
Use of Calculator is allowed.

Q.1	**Attempt the following**	Marks	Bloom's Level	CO
a)	Draft the Format of Cash Flow Statement with best possible details as per AS3	08	1	1

Ms. Jyoti of Start Oils Limited has collected the following information for the preparation of cash flow statement for the year ended 31st March, 2023:

Particulars	Amount Rs.
Net Profit	25,000
Dividend (including dividend tax) paid	8,535
Provision for Income tax	5,000
Income tax paid during the year	4,248
Loss on sale of assets (net)	40
Book value of the assets sold	185
Depreciation charged to Profit & Loss Account	20,000
Profit on sale of Investments	100
Carrying amount of Investment sold	27,765
Interest income on investments	2,506
Interest expenses of the year	10,000
Interest paid during the year	10,520
Increase in Working Capital (excluding Cash & Bank Balance)	56,081
Purchase of fixed assets	14,560
Investment in joint venture	3,850
Expenditure on construction work in progress	34,740
Proceeds from calls in arrear	2
Receipt of grant for capital projects	12

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Proceeds from long-term borrowings Proceeds from short-term borrowings	25,980 20,575
Opening cash and Bank balance	5,003
Closing cash and Bank balance	6,988

b) Prepare Cash Flow from Operating Activities for Start Oils. 08 2 1

OR

b) Prepare Cash Flow from Investing Activities for Start Oils. 08 2 1

Q.2 **Attempt the following**

a) Differentiate between Cash Flow Statement and Fund Flow Statement 08 1 2

b) Prepare Statement of Changes in Working Capital for Prashant Ltd. 08 2 2

	31st March 2021	31st March 2020
Assets		
Plant Assets	7,15,000	5,05,000
Less: Accumulated Depreciation	(1,03,000)	(68,000)
	6,12,000	4,37,000
Investments (Long term)	1,15,000	1,27,000
Current Assets:		
Inventory	1,44,000	1,10,000
Accounts receivable	47,000	55,000
Cash	46,000	15,000
Prepaid expenses	1,000	5,000
	9,65,000	7,49,000
Liabilities		
Share Capital	4,65,000	3,15,000
Reserves and surplus	1,40,000	1,32,000
Bonds	2,95,000	2,45,000
Current liabilities :		
Accounts payable	50,000	43,000
Accrued liabilities	12,000	9,000
Income taxes payable	3,000	5,000
	9,65,000	7,49,000

b) Explain the steps to undertake to prepare fund flow statement. 08 2 2

Q.3 **Attempt any two from the following**

a) Prepare Consolidated Balance Sheet as on 31.03.2019 if S Ltd. is 100% owned subsidiary company of H Ltd. 08 5 3

Particulars	**H Ltd.**	**S Ltd.**
I. Equity and Liabilities		
Share Capital	500,000	2,00,000
Reserves and Surplus	100,000	50,000
II. Current Liabilities		

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	Trade Payables	80,000	60,000
	TOTAL	**680,000**	**3,10,000**
	ASSETS		
III.	Fixed Assets	3,20,000	170,000
	Non Current Investment	(S.Ltd) 2,80,000	50,000
IV.	Current Assets	80,000	80,000
	Preliminary Expenses	-	10,000
	TOTAL	**680,000**	**3,10,000**

b) Prepare Consolidated Balance Sheet as on 31.03.2019 if S Ltd. is 80% owned subsidiary company of Amit Ltd. 08 2 3

Particulars		**Amit Ltd.**	**Sumit Ltd.**
I.	**Equity and Liabilities**		
	Share Capital	500,000	2,00,000
	Reserves and Surplus	100,000	50,000
	Balance in Profit and Loss	100,000	100,000
II.	**Long Term Liabilities**		
	8% Debentures	400,000	200,000
III.	**Current Liabilities**		
	Trade Payables	100,000	50,000
	TOTAL	**12,00,000**	**600,000**
	ASSETS		
IV.	Fixed Assets	800,000	400,000
	Non Current Investment	(Sumit.Ltd) 300,000	100,000
V.	Current Assets	100,000	90,000
	Preliminary Expenses	-	10,000
	TOTAL	**12,00,000**	**600,000**

c) Elucidate the guidelines given by AS21 for Consolidated Financial Statement. 08 2 3

Q.4 **Attempt any two from the following**

a) Classify different Mutual funds schemes on the basis of 'Maturity Period' and 'Investment Objective'. 08 3 4

b) Analyze investment valuation norms for Traded Securities and Non Traded Securities. 08 3 4

c) Gangadhar Finance Ltd. approached you as an expert in mutual fund. 08 3 4

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Company wants start a mutual fund scheme and need guidance for SEBI guidelines for mutual funds in India
Outline the guidelines for Gangadhar Finance Ltd.

Q.5		**Attempt any Two of the following**			
	a)	Describe Classification of Assets for Non Banking Finance Companies (NBFCs).	09	2	5
	b)	Explain the different Provisioning Requirements for Non Banking Finance Companies (NBFCs) with reference to their assets?	09	2	5
	c)	Write in detail about Capital Adequacy Norms in detail.	09	2	5
Q.6		**Attempt any Two of the following**			
	a)	Gourav Ltd issued 15000 equity shares of Rs. 100 each. For which an Underwriting agreement is fixed with following terms Joint Guarantee of subscription is given by i. Sonal Ltd. 7000 shares ii. Aishwarya Ltd 5000 shares iii. Shraddha Ltd. 3000 shares The above guarantee is with firm subscription for 1000 shares each. Gourav Ltd. received 12000 application inclusive of firm subscription by each underwriters. Out of which following application were marked (incl of firm) i. Sonal Ltd. 5000 shares ii. Aishwarya Ltd 3000 shares iii. Shraddha Ltd. 2000 shares Calculate shares to be subscribed by underwriters individually.	09	4	6
	b)	Ustaad Ltd. resolved to buy back 300,000 of its fully paid equity shares of Rs.10 each at Rs.12 per share. For the purpose, it issued 10,000 13% preference shares of Rs. 100 each at par, the total sum being payable with applications. The company uses Rs.850,000 of its Balance in Securities Premium Account part from its adequate balance in General Reserve Account to fulfill the legal requirement regarding buy back. Pass the required Journal Entries.	09	4	6
	c)	Write a Note on Employee Stock Option Scheme.	09	4	6

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