

M.Com / Part II / External / Corporate Financial Accounting / Code-59313

03 NOV 2025

Time: 2 Hours

Marks: 50

Note:

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

Q.1. Answer the following: (Any one)

(14)

(A) What are the limitation of AS.

OR

(B) State & Explain key elements of Ind-AS 38.

Q.2. Answer the following: (Any one)

(12)

(A) Discuss Module 1 Of HRA Cost Based Modules explain its Features, Advantages, Disadvantages.

OR

(B) Define Human resource accounting explain its necessity & implication.

Q.3. Answer the following: (Any one)

(12)

(A) on 31st march 2014 the balance sheet of Germany Ltd. Was as follows:

Liabilities	(Rs.)	Assets	(Rs.)
Authorized Share Capital (20,000 Equity Share of Rs.100 each)		Land & Building	3,00,000
Issued and paid up share Capital (15,000 Equity Share of Rs.100) 15,00,000		Plant & Machinery	1,72,500
Less:Calls in arrears @ Rs.20 <u>(2,000)</u>	14,98,000	Stock	4,50,000
Profit & Loss A/C	1,54,500	Debtors	9,07,000
Bank Overdraft	32,000	Cash	20,000
Creditors	1,15,500	Bank	1,30,000
Provision for Tax	67,500		
Proposed Dividend	1,12,500		
	19,80,000		19,80,000

The Net Profit of the co after providing tax were as follows:

Year	2014	2013	2012	2011	2010
(Rs.)	1,72,500	1,50,00	1,87,500	1,80,000	1,35,000

Land And Building were valued at Rs.3,75,000 and plant and machinery at 2,25,000.

NRR can be considered at 8%

Goodwill is to be valued at 3 yrs purchased of super profit based on average profit of last 5 yrs.

Find intrinsic value (Net asset value) of fully paid and partly paid equity share.

OR

(B) The Tom Co. Pvt.Ltd. is to be absorbed by the Jerry Co. Pvt. Ltd In order to decide upon the purchase consideration, it is necessary among other things to value the goodwill attaching to the business of Tom Co. Pvt. Ltd. The two company agree that the basis of the average annual super profit. The net profit being averaged over 5 yrs and subject to adjustment is to be considered. The profit of the Tom Co. Pvt. Ltd. For the first yrs (before charging income tax @ 55% on Income) are as follows:

Year	2009	2010	2011	2012	2013
(Rs.)	1,00,000	1,30,000	90,000	1,10,000	1,50,000

The director of Tom Co. Pvt. Ltd. (3 in no.) will be appointed on the board of Jerry Co. Pvt. Ltd. On absorption and it is considered that their services have been and will be in the future worth Rs.10,000 p.a.

There has never been made any charge against the profit of Tom Co. Pvt. Ltd. For such services. The average capital invested in net tangible assets over the period of Rs. 3,60,000 and it is considered that the normal return to be expected from the particular type of business carried on by Tom Co. Pvt. Ltd. 10%.

Calculate the value of goodwill and business of Tom Co. Pvt. Ltd. Based on capitalisation of FMP and average super profit.

Q.4. Answer the following: (Any one)

(12)

(A) From the following information supplied to you, compute the value of an equity share of Honda Ltd. The summarised balance sheet as on 31/12/2016.

Balance sheet

Liabilities	Rs.	Assets	Rs.
Share Capital:			
600, 10% preference share of Rs.100 each	60,000	Land & building	2,40,000
6,000 equity share of Rs.100 each		Plant & machinery	2,40,000
Fully paid	6,00,000	Stock in trade	1,20,000
Reserve and surplus	1,50,000	Sundry debtor	30,000
Secured loan:		Cash at bank	1,50,000
600, 9% debenture of Rs. 100 each	60,000	Cash in hand	60,000
Sundry creditor	60,000	Investment in 10% govt.	
		Securities	60,000
		Preliminary expenses	30,000
	9,30,000		9,30,000

On 31/12/2016 the goodwill of the company was valued at Rs.2,07,000. The average net profit earned by the company amounted to Rs. 1,14,000. Every yr an amount equal to 10% of profit earned was transferred general reserve. A return of 10% on the investment is considered fair in the industry.

OR

(B) Find out the fair value of share of Yash Ltd. From the following information.

(a)	Issued and Paid-Up Capital:	Rs.
	2,50,000 equity shares of Rs.10 each fully paid	25,00,000
	50,000 10% preference shares of Rs.10 each fully paid up	5,00,000
(b)	Reserve and surplus:	
	General reserve	10,00,000
	Profit and loss A/C balance (Cr.)	7,50,000
(c)	Current Liabilities and Provisions:	
	Creditors	8,50,000
	Bank Overdraft	4,50,000
(d)	Fictitious assets:	
	Preliminary expenses	2,50,000
	Discount on issue of shares	1,00,000
(e)	The profits of the company for the year Rs.12,50,000 before tax	
(f)	It is expected that the profit will increase by 20% in future years	
(g)	The rate of income tax 50%	
(h)	Normal rate of return 14%	