Reg. No. | | | | | | | |

G. VENKATASWAMY NAIDU COLLEGE (AUTONOMOUS), KOVILPATTI – 628 502.

UG DEGREE END SEMESTER EXAMINATIONS - NOVEMBER 2025.
(For those admitted in June 2023 and later)

PROGRAMME AND BRANCH: B.COM., BUSINESS ANALYTICS

SEM	CATEGORY	COMPONENT	COURSE CODE	COURSE TITLE
IV	PART-III	CORE-7	U23BA407	CORPORATE ACCOUNTING-II

Date & Session:05.11.2025/FN **Time : 3 hours** **Maximum: 75 Marks**

Course Outcome	Bloom's K-level	Q. No.	SECTION – A (10 X 1 = 10 Marks) Answer ALL Questions.
CO1	K1	1.	When an existing company is liquidated and a new company is formed with the same shareholder to run the business, it is referred to as: (a) amalgamation (b) external reconstruction (c) absorption (d) internal reconstruction
CO1	K2	2.	The capital reduction scheme can be implemented after getting permission from ________. (a) Competent Court (b) Central Government (c) State Government (d) SEBI
CO2	K1	3.	A banking company in India is regulated by ________. (a) The Companies Act (b) Reserve Bank of India (c) Banking Regulation Act (d) Indian Contract Act
CO2	K2	4.	As per RBI guidelines, the percentage of profit to be transferred to statutory reserve is: (a) 20 (b) 25 (c) 10 (d) 12.5
CO3	K1	5.	Profit/loss of life business is determined by preparing ________. (a) profit and loss A/c (b) profit and loss appropriations A/c (c) trading A/c (d) revenue A/c
CO3	K2	6.	Claims paid by life insurance companies is shown in: (a) schedule 4 (b) schedule 1 (c) schedule 2 (d) schedule 3
CO4	K1	7.	Profits earned by a subsidiary company till the date of acquisition are termed as ______. (a) revaluation profits (b) capital profits (c) revenue profits (d) Operating Profits
CO4	K2	8.	The "excess" paid by the holding company to acquire "controlling interest" in the subsidiary company is called ________. (a) surplus (b) deficiency (c) cost of control (d) goodwill
CO5	K1	9.	Liquidator's final statement of account is in the form of: (a) receipts and payments A/c (b) profit and loss A/c (c) balance sheet (d) income and expenditure A/c
CO5	K2	10.	"List A" annexed to statement of affairs consists the list of: (a) preferential creditors (b) unsecured creditors (c) assets specifically pledged (d) assets not specifically pledged

Course Outcome	Bloom's K-level	Q. No.	**SECTION – B (5 X 5 = 25 Marks)** **Answer ALL Questions choosing either (a) or (b)**
CO1	K3	11a.	What do you mean by "amalgamation"? Mention the important features in amalgamation in the nature of merger.
			(OR)
CO1	K3	11b.	Vivek Ltd. is absorbed by Abhishek Ltd., the consideration being: i. The taking over of trade liabilities of Rs.1,20,000. ii. The payment of 'Y' Debentures of Vivek Ltd. of Rs.6,00,000 at par. iii. The discharge of 'X' debentures of Rs. 9,00,000 in the vendor company at a premium of 10% by the issue of 8% debentures in Abhishek Ltd. at par. iv. A payment of Rs.20 per share in cash and the exchange of 4 fully paid Rs.10 shares in Abhishek Ltd. at a market price of Rs.15 per share for every Rs.50 share in Vivek Ltd. which were 1,20,000 in number. You are required to find out the purchase consideration
CO2	K3	12a.	From the following information, find out the amount of provisions required to be made in the profit and loss A/c of a commercial bank for the year ended on 31 March 2011: i. Packing credit outstanding from food processors is Rs.80,00,000 against which the bank holds securities worth Rs.20,00,000. 40% of the above advance is covered by ECGC. The above advances have remained doubtful for more than 3 years. ii. Other Advances: Assets Classification: (Rs. in Lakhs) Standard 5,000 Sub-standard 4,200 Doubtful: For 1 Year 1,200 For 2 Years 800 For 3 Years 600 For More Than 3 Years 400 Loss Assets 800
			(OR)
CO2	K3	12b.	On 31 March 2010, a bank held the following bills discounted by it earlier: Date of Bill | Term of Bill (Months) | Discounted @ % p.a. | Value of Bill Rs. 17 January 2010 7 | 4 | 12 | 10,95,000 February 2010 9 | 3 | 18 | 25,55,000 March 2010 | 3 | 15 | 51,10,000 You are required to calculate the rebate on bills discounted. Also show the necessary journal entry for the rebate.
CO3	K4	13a.	Distinguish between life and non-life insurance business.
			(OR)
CO3	K4	13b.	A life assurance company prepared its revenue A/c for the year ended on 31st March 2011 and ascertained its life assurance fund to be Rs.35,00,000. It was found that the following had been omitted from the accounts. i. Interest Accrued on Investments: Rs.45,000. Income Tax Liable to be Deducted There on is Estimated to be Rs.10,500 ii. Outstanding Premiums: Rs.37,500 iii. Bonus Utilized for Reduction of Premium: Rs.8,500 iv. Claims Intimated but not Admitted: Rs.18,750

			v. Claims Covered under Reinsurance: Rs.7,250 What is the true life assurance fund?
CO4	K4	14a.	On 30 June 2010, two-third of the shares of S Ltd. (with a total capital of Rs.48,00,000) was acquired by H Ltd. The balance sheet of S Ltd. showed a debit balance of Rs.24,00,000 or 1 January 2010 and a credit balance of Rs.14,40,000 on 31 December 2010. The investment by H Ltd. in shares of S Ltd. is Rs.36,00,000. Calculate the cost of control or capital reserve. **(OR)**
CO4	K4	14b.	Write short note on: i. Minority Interest ii. Cost of Control
CO5	K5	15a.	List out the various ways that a company can be wound up. **(OR)**
CO5	K5	15b.	ED Ltd. went into liquidation with the following liabilities:

Secured Creditors	Rs. 50,000
Preferential Creditors	Rs. 2,400
Unsecured Creditors	Rs. 1,22,000
Liquidation Expenses	Rs. 1,000

Securities realized Rs.1,00,000; the liquidator is entitled to a remuneration of 3% on the amount realized (including securities in the banks of secured creditors) and 1.5% on the amount distributing to the unsecured creditors. The various assets (excluding the securities in the hands of the secured creditors) realized Rs. 1,04,000.
Prepare the liquidator's statement of account showing the payment made to unsecured creditors.

Course Outcome	Bloom's K-level	Q. No.	**SECTION – C (5 X 8 = 40 Marks)** **Answer ALL Questions choosing either (a) or (b)**
CO1	K3	16a.	A Ltd. and B Ltd. have agreed to amalgamate. A new company C Ltd. has been formed to take over the combined concern as on 31 December 2010. After negotiations, the assets of two companies have been agreed upon as shown in the following:

Liabilities	A Ltd.	B Ltd.	Assets	A Ltd.	B Ltd.
Share Capital:			Land & Buildings	10,00,000	6,00,000
Shares of Rs. 10	20,00,000	10,00,000	Plant & Machinery	4,00,000	5,00,000
Each	—	1,00,000	Goodwill	—	1,00,000
Reserve Fund	1,00,000	1,00,000	Furniture	2,20,000	—
P&L A/c	1,60,000	1,00,000	Stock	3,00,000	40,000
Creditors			Debtors	2,40,000	40,000
			Bank	1,00,000	20,000
	22,60,000	13,00,000		22,60,000	13,00,000

Prepare the balance sheet of C Ltd. assuming:

a) The entire purchase price is paid off in the form of equity shares of Rs. 100 each in C Ltd.
b) The amalgamation is in the nature of merger

(OR)

CO1	K3	16b.	Veer Ltd. passed the necessary resolution and received sanction of the Court for the reduction of its share capital by Rs.10,00,000 for the purposes numerated in the following:

			a) To write off the debit balance of P&L A/c Rs.4,20,000. b) To reduce the value of plant & machinery by Rs.1,80,000 and of goodwill by Rs.80,000. c) To reduce the value of investments to market value by writing off Rs.1,60,000. The reduction was made by converting 1,00,000 preference shares of Rs.20 each fully paid to the same number of preferences shares of Rs.15 each fully paid and by converting 1,00,00 ordinary shares of Rs.20 each Rs.15 paid up into 1,00,000 ordinary shares of Rs.10 each fully paid. Give journal entries necessary with respect to reduction of share capital and show how would you deal with the balance of the reduction of share capital account?
CO2	K4	17a.	From the following information, prepare the Profit and Loss A/c of ANI Bank Ltd. for the year ended on 31 March 2011 in the prescribed form: Rs. Interest on Loan 5,18,000 Interest on Fixed Deposits 5,50,000 Rebate on Bills Discounted Required 98,000 Commission 16,400 Establishment 1,08,000 Discount on Bills Discounted 3,90,000 Interest on Cash Credit 4,46,000 Interest on Current Account 84,000 Rent and Taxes 36,000 Interest on Overdraft 3,08,000 Director's Fees 6,000 Auditor's Fees 2,400 Interest on Savings Bank Deposits 1,36,000 Postage, Phone, Internet Expenses 2,800 Printing and Stationery 5,800 Sundry Charges 3,400 i. Bad debts to be written off amounted to Rs.80,000. ii. Provision for taxation may be made @ 50%. iii. Balance of profit from last year was Rs.2,40,000. iv. The Directors have recommended a dividend of Rs.40,000 for the shareholders. **(OR)**
CO2	K4	17b.	On 31 December 2010, the following balances stood in the books of ABC Bank Ltd., after preparation of its P & L A/c: Share Capital: Issued and Subscribed 8,000 Reserve Fund (U/S 17) 12,400 Fixed Deposits 85,200 Savings Bank Deposits 38,000 Current Accounts 46,400 Money at Call & Short Notice 3,600 Investments 50,000 Profi t and Loss A/c (Cr.) 1 January 2010 2,700 Dividend for 2009 800 Premises 5,900 Cash in Hand 760 Cash with RBI 20,000

Cash with Other Banks	12,000
Bills Discounted and Purchased	7,600
Loans, Cash Credits and Overdrafts	1,02,000
Bills Payable	140
Unclaimed Dividend	120
Rebate on Bills Discounted	100
Short Loans (Borrowing from Other Banks)	9,500
Furniture	2,328
Other Assets	672
Net Profit for 2010	3,100

Prepare the balance sheet of the bank as on 31 December 2010.

CO3 | K4 | 18a. From the following prepare a Life insurance revenue A/c and balance sheet as on 31 March 2011:

	Rs. ('000)		Rs. ('000)
Claims by Death	33,780	Bonus Paid with Claims	5,400
Agent's Allowances	12,840	Surrender Values Paid	5,620
Annuities Paid	2,700	Actuarial Expenses	3,040
Interest Revenue	38,120	Premiums	1,89,672
Rent, Rates and Taxes	10,950	Commission to Agents	17,800
General Charges	3,720	Salaries	27,000
Fees Received	344	Medical Fees	2,400
Bonus Paid in Cash	5,650	Travelling Expenses	3,600
Advertisement	1,452	Director's Fees	1,800
Agents Balances	1,500	Printing and Stationery	1,300
Claim Expenses	2,864	Loans on Policies	76,600
Investments	2,93,400	Loans on Mortgages	5,81,120
Share Capital	4,00,000	Freehold Premises	2,45,200
Furniture and Fittings	1,28,200	Reserve Fund	2,92,000

Cash on Hand and Deposits	1,52,600
Endowment Assurance Matured	48,830
Consideration for Annuities Granted	25,706
Life Assurance Fund 1 April 2010	7,07,344
Claims Outstanding 1 April 2010	4,752
Premium Outstanding 1 April 2010	4,268
Claims Outstanding 31 March 2011	7,470
Premium Outstanding 31 March 2011	6,286
Outstanding Interest On Advances 31 March 2011	3,888

(OR)

CO3 | K4 | 18b. The following balances are abstracted from the books of New Life Insurance Co. Ltd. as on 31 March 2011:

Life Assurance Fund (1 April 2010)	20,00,000
Bonus in Reduction of Premiums	25,00,000
Premiums	7,00,000
Medical Fees	2,800
Consideration for Annuities Granted	20,000
Surrenders	5,000
Interest and Dividends	1,20,000
Commission	20,000
Fines for Revival of Policies	800
Management Expenses	30,000
Reinsurance Premium	22,200
Income Tax on Dividends	10,000

Claims Outstanding (1 April 2010)	5,800
Claims Paid during the year	90,200
Annuities	2,500

Prepare Revenue Account after Making the Following Adjustments:

(i) Outstanding Balances: Claims 1,80,00,000 Premiums 60,00,000

(ii) Further Bonus for Premium 28,00,000

(iii) Claims under Reinsurance 1,00,00,000

CO4 K5 19a. From the following information, prepare a consolidated balance sheet.

Balance Sheets as on 31 December 2010.

Liabilities	H Ltd. Rs.	S Ltd. Rs.	Assets	H Ltd. Rs.	S Ltd. Rs.
Share capital: Shares of Rs,10 each	2,00,000	1,00,000	Sundry Assets	2,20,000	1,50,000
Reserves	50,000	20,000	Investments: 6,000 shares of S Ltd.,	80,000	---
P & L Account	20,000	10,000			
Creditors	30,000	20,000			
	3,00,000	**1,50,000**		**3,00,000**	**1,50,000**

H Ltd. acquired its shares in S Ltd. on 1 January 2010 when reserves of S Ltd. stood at Rs.4,000 and its profit and loss account (Cr.) was Rs.5,000

(OR)

CO4 K5 19b. From the balance sheets given below, prepare a consolidated balance sheet of H Ltd. and its subsidiary S Ltd.

Liabilities	H Ltd. Rs.	S Ltd. Rs.	Assets	H Ltd. Rs.	S Ltd. Rs.
Share capital:			**Fixed Assets:**		
Shares of Rs,20 each	3,60,000	90,000	Freehold Property	2,16,000	---
Reserves & Surplus			Leasehold Property	---	75,000
General Reserves	75,000	18,000	Machinery	90,000	30,000
P & L Account	36,000	27,000	**Investments:** 7,000 shares in S Ltd.,	75,000	---
Current Liabilities			**Current Assets:**		
Creditors	45,000	15,000	Stock at Cost	54,000	9,000
			Debtors	66,000	21,000
			Bank	15,000	15,000
	5,16,000	**1,50,000**		**5,16,000**	**1,50,000**

At the date of acquisition by H Ltd., of 3,000 shares in S Ltd. the latter company had undistributed profits and reserves of Rs.15,000, none of which have been distributed since acquisition.

CO5 K5 20a. Explain "Statement of Affairs" with a rough sketch and also explain how it is prepared?

(OR)

CO5 K5 20b. Sibi Co. Ltd. went into liquidation on 31 December 2010. Its capital is divided into 40,000 shares of Rs. 50 each. Its assets and liabilities on this date were as

			follows: Cash in hand: Rs. 3,000; Realized from stock: Rs. 1,18,400; from book debts: 1,96,800; from furniture: Rs. 4,200; Investment with bank for overdraft: Rs. 19,600; Unsecured creditors: Rs. 2,15,100; Preferential creditors: Rs. 21,180; Bank overdraft: Rs. 16,000; 6% Debentures Rs. 1,76,000. Bank, after deducting its amount from investments of Rs. 19,600, gave the surplus to the liquidator. Remuneration of liquidator: ➢ 3% of the net amount realized (excluding the amount given to secured creditors but including cash in hand); ➢ 2% on the amount paid to unsecured creditors (excluding preferential creditors). Cost of liquidation is Rs. 4,060. Prepare liquidator's final statement of account.