

TYBAJ

[Time: 2.30 Hours]

[Marks: 75]

Please check whether you have got the right question paper.

- N.B:**
1. All questions are compulsory
 2. Figures to the right indicate full marks.
 3. Working note are the part of your answer.
 4. Use of simple calculator is allowed.

1. A. Fill in the blanks and rewrite the sentence again: (Any 8) (8)

1. Interest on investment is _____ income.
2. _____ is equal to rate of interest plus rate of risk.
3. Balance sheet of an Electricity company is presented in _____.
4. Premium on issue of securities is retained as _____ item.
5. The Maharashtra Co-op. Societies Act was passed in _____.
6. Register of members must be maintaining in _____ form.
7. Opening Inventory is translated at _____ rate.
8. AS _____ classifies foreign operations into two types.
9. Living animals are classified as _____ assets.
10. Current assets are primarily held for _____.

B. State whether the following the statements are true or false: (Any 7) (7)

1. IFRS are the Financial Reporting Standards issued by IASB.
2. Contractual obligations are financial liabilities.
3. Closing inventory should be translated at average rate.
4. Cost of tangible fixed assets is translated at the exchange rate on the date of purchase.
5. A Co-op. Hsg. Society has to prepare Profit & Loss A/c.
6. A Housing Society has to transfer 20% of the Net Profit to Reserve Fund.
7. Preliminary expenses on formation are treated as other current assets.
8. Net Revenue A/c represents P & L Appropriation A/c.
9. FMP is calculated on the basis of adjusted average profit.
10. Yield value depends on Net Assets.

Q2. Following is the Balance sheet of Alina Ltd as on 31st March, 2018:

[15]

Liability	Rs. Lakhs	Assets	Rs. lakhs
Equity share capital of Rs.100 each, 80 paid up.	1	Fixed assets	4
12% Preference share capital	4	Investment at cost	1
General reserve	5	Cash and cash equivalent	4
14% Term loan	1	Trade Receivable	1
Unsecured loan	2	Inventory	5
Trade payable	2		
	15		15

- In a similar company, the average rate of dividend declared for the previous year is 25% and the market value of share Rs.300.
- The current market value of fixed assets Rs.10 lakhs
- Debtor to the extent of 25% considered to be doubtful.
- Market value of inventory at the end Rs.7.5.
- Investment value shown upward valuation of 50%.
- The dividend on equity share declared for the last 3 years are as follows:

2015-16	2016-17	2017-18
25%	30%	21%

Compute the Assets Backing value and yield value of Share of Alina Ltd.

OR

- Q2. Fur Ltd and Rui Ltd proposed to sell their business to a FURUI.

[15]

Balance sheet of two company as on 31st March 2018 are as follows (Rs. In crores)

Liabilities	Fur	Rui	Assets	Fur	Rui
Equity share of Rs.100 each	60	25	Land and Building	36	12
General reserve	-	15	Other fixed assets	32	18
Profit & loss	50	28	Non trade investment	-	10
Current liabilities	21	12	Stock	11	9
			Trade Receivable	9	6
			Cash & cash equivalent	?	?
	131	80		131	80

Net profit before tax for the past 3 years are as follows:

Years	Fur	Rui
1	36	22
2	40	26
3	44	30

Other relevant information is also provided:

- All Fixed assets of Fur is revalued at Rs.80 lakhs and Rui at Rs.32 lakhs respectively.
 - Profit of Rui include Rs.1.2 lakhs income from non-trade investment.
 - Inventory is reduced by 10% and provision for RDD at 12% to be made on Trade receivable.
 - Goodwill to be valued at 5 years purchase of the average trading profit of the past 3 years after deducting a standard profit of 12% on the net trading assets
 - Tax rate applicable to the both the company 30%.
- You are required to compute the intrinsic value of both the company shares after considering the all the adjustment.

Q.3. Software Ltd. has head office at Mumbai and branch at New York. The branch submits the following trail balance as on 31st March, 2018 [15]

Particulars	Dr. US \$	Cr. US \$
Head Office A/c	-	15,300
Goods received from head office	27,140	-
Purchases and Sales	4,45,200	6,80,750
Stock on 1 st April 2017	42,180	-
Plant and Machinery	72,500	-
Computer	1,15,200	-
Furniture and Fixture	27,300	-
Bank Balance	4,215	-
Cash Balance	1,760	-
Salaries	72,190	-
Office Rent	42,114	-
General Expenses	11,111	-
Debtors and Creditors	1,10,540	2,97,720
Printing and Stationary	12,114	-
Postage and Courier Expenses	1,236	-
Legal Expenses	2,350	-
Commission	2,777	-
Marketing Expenses	3,115	-
Finance Charges	728	-
	9,93,770	9,93,770

- The Branch A/c in Head Office showed a debit balance of Rs. 6,73,200 and Goods sent to Branch Account showed credit balance of Rs. 11,39,880.
- New York branch reported closing stock of US \$ 48,500 on 31st March 2018.
- Depreciation to be provided on Plant and Machinery @ 15% p.a., Computer @ 20% p.a. and Furniture and Fixture @ 10% p.a.
- The exchange rates were as under:
 - On 01-04-2017 US \$1 = Rs. 41
 - On 31st March 2018 US \$1 = Rs. 48
 - Average US \$1 = Rs. 45
 - For Plant and Machinery US \$1 = Rs. 41
 - For Computer US \$1 = Rs. 40
 - For Furniture and Fixture US \$1 = Rs. 46

You are required to convert the branch trial balance into rupees and also to prepare Trading and Profit & Loss Account and Balance sheet as on 31st March 2018.

OR

Q. 3 From the following Trial Balances of Aasha CHS Ltd, Prepare Final Account in the prescribed format as per applicable legal provisions.

[15]

Particulars	Rs.	Particulars	Rs.
Audit Fees	20,000	Collection for Establishment Expenses	25,37,838
Cash in bank	16,48,350	Collection for Property Expenses	26,89,140
Cash in hand	6,372	Income and Expenditure Account	18,98,592
Dues from Members	27,90,264	Interest – Fixed Deposits	70,812
Electricity Charges	5,04,164	Interest – Saving Bank	2,32,626
Equipment	4,12,240	Members Contribution for Building	5,27,22,000
Fixed Deposits	27,61,044	Premium on Transfers	2,00,000
Land and Building	5,27,22,000	Sinking Fund – Opening	45,51,138
Property Taxes	37,91,218	Statutory Reserve Fund – Opening	11,74,500
Receivable from Builder	83,900	Subscribed Capital: 1,770 Shares of Rs. 50 each	88,500
Repairs and Maintenance	3,21,896	Transfer Fees	1,600
Salaries	2,97,880		
Security expenses	1,93,224		
Water Charges	6,14,194		
	6,61,66,746		6,61,66,746

Additional Information:

1. Authorized capital: 16,000 shares of Rs. 50 each.
2. Outstanding Electricity Expenses Rs. 64,736.
3. Depreciation on Equipment @10%.
4. Prepaid Security Expenses Rs. 11,968.
5. Collection for Establishment Expenses include Collection for Sinking Fund Rs. 10,50,216.

Q.4. The Trial Balance of Gopal Electric Supply Ltd. for the year ended 31st March, 2018 is as below:

(15)

Particulars	Dr. Rs ('000)	Cr. Rs ('000)
Share Capital		
Equity Shares of Rs 10 each		40,000
14% Preference Shares of Rs 100 each		12,000
Patents and Trademarks	2,004	
15% Debentures		19,760
16% Term Loan		12,240
Land	9,960	
Building	28,107	
Plant and Machinery	45,646	
Mains	3,619	
Meters	2,520	
Electrical Instruments	1,224	

Office Furniture	1,960	
Capital Reserve		3,216
Contingency Reserves		9,624
General Reserves		800
Transformers	13,152	
Opening Balance of Profit and Loss Account		280
Profit for the year 2016-17 subject to Adjustments		4,000
Stock in hand	9,640	
Sundry Debtors	4,997	
Contingency Reserve Investment:		
- SBI Bonds-2025	8,008	
Other Investments	1,600	
Cash and Bank	2,603	
Public Lamps	2,432	
Depreciation Fund		20,653
Sundry Creditors		5,219
Proposed Dividend		9,680
	1,37,472	1,37,472

During 2017-18, 80,000, 14% Preference Shares were redeemed at a premium of 10% out of proceeds of fresh issue of Equity Shares of necessary amounts at a premium of 10%. Required to prepare for the above period general balance sheet as on 31st March, 2018 as per Schedule III of the Companies Act, 2013.

Adjustments: (Fig. in 000)

1. Transfer to Contingency Reserve Rs 136. and to General Reserve Rs 1,60.
2. Loss on Contingency Reserve Investment Rs 8
3. Make a Provision for Debts considered doubtful of Rs 811.2

OR

Q. 4. Following is the Balance sheet of Alina Ltd as on 31-3-2018.

[15]

Liabilities	Rs.	Assets	Rs.
Equity shares Rs. 100 each fully paid	1,00,000	Land and Building	6,00,000
12% Preference share capital	2,00,000	Machinery	3,80,000
General Reserve	3,00,000	Investment of Provident Fund	60,000
15% Debenture	4,00,000	Stock	1,00,000
Employee Provident Fund	50,000	Debtors	1,20,000
Trade payable	130,000	Bills Receivable	30,000
Unclaimed dividend	10,000	Cash and Bank	10,000
Provision for Tax	10,000		
Depreciation Fund:			
Building 60,000			
Machinery 40,000	1,00,000		
	13,00,000		13,00,000

Other information:

- a) Value of machinery is to be increased up-to Rs. 4,00,000.
- b) Debtors include Rs. 10,000 being bad debts.
- c) Revised value of stock is 20% more than book value
- d) It is expected that Rs. 40,000 is payable for worker's compensation.
- e) Goodwill estimated at Rs. 5,30,000
- f) Expected rate of return is 15%.
- g) Net profit after tax is Rs. 1,50,000
- h) Rs. 20,000 is to be transferred to general reserve

Calculate fair value of equity share of the company

Q5. Answer the following:

- A. Explain the benefit reap from adopting IFRS by Indian corporates? [8]
- B. What are the needs for valuation of Goodwill? [7]

OR

Q5. Write Short Note on (Any 3) [15]

- I. Types of Co-operative societies are Classifies under Maharashtra Co-operative Society Act.
- II. Challenges in first time adoption of IFRS by Indian corporates.
- III. Intrinsic Value of share.
- IV. Features of Electricity Act,2003
- V. Non-Integral foreign operation.