

T.Y.B.Com.

Sem - VI Regular

09/04/2026

Total Marks: 100

Time: 3 hrs.

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

Q.1 A) State whether the following statements are True or False (Any Ten)

(10)

1. When two or more companies combine and form a new company it is called amalgamation. τ
2. All foreign currency items are converted at fixed rate. τ
3. External reconstruction means liquidation of one company and formation of two companies. τ
4. Liquidator is responsible for settling liabilities. τ
5. Marked applications are those received without underwriter stamp. τ
6. Underwriter may have liability for unsubscribed shares. τ
7. LLP partners have unlimited liability. τ
8. LLP is a separate legal entity. τ
9. AS-11 deals with accounting for foreign exchange transactions. τ
10. Vendor company is the company which purchases another company. τ
11. In absorption only one company continues to exist. τ
12. Underwriting means guarantee of subscription of shares. τ

Q.1 B) Choose the correct alternative from the given option and rewrite the sentence. (Any Ten)

(10)

1. When one existing company takes over another company it is called:

- A) Merger
- B) Absorption
- C) Reconstruction
- D) Liquidation

2. Companies which are taken over are called:

- A) Purchasing companies
- B) Investor companies
- C) Vendor companies
- D) Banking companies

3. Foreign exchange transaction means:

- A) Local purchase
- B) Transaction in another country's currency
- C) Cash transaction
- D) Credit purchase

4. Difference due to exchange rate change is called:

- A) Capital profit
- B) Exchange difference
- C) Reserve
- D) Goodwill

5. **Liquidation means:**
 - A) Formation of company
 - B) Closing of company
 - C) Expansion
 - D) Share issue
6. **Internal reconstruction means:**
 - A) Formation of new company
 - B) Reorganisation without liquidation
 - C) Selling assets
 - D) Closing business
7. **Person who conducts liquidation is:**
 - A) Director
 - B) Auditor
 - C) Liquidator
 - D) Manager
8. **Applications bearing underwriter name are called:**
 - A) Unmarked applications
 - B) Marked applications
 - C) Rejected applications
 - D) Late applications
9. **Underwriter liability after adjustments is called:**
 - A) Gross liability
 - B) Net liability
 - C) Capital liability
 - D) Bonus liability
10. **LLP stands for:**
 - A) Limited Legal Partnership
 - B) Limited Liability Partnership
 - C) Legal Liability Partner
 - D) Limited Loan Partner
11. **LLP Act was passed in:**
 - A) 1956
 - B) 2008
 - C) 2013
 - D) 2020
12. **Preferential creditors include:**
 - A) Trade creditors
 - B) Government taxes
 - C) Shareholders
 - D) Investors

Q.2 A) The following is the summary Balance Sheet of Rohan Ltd on 31st March 2026 (20)

Liabilities	₹	Assets	₹
Issued and Paid-up Equity share capital	6,00,000	Intangible Assets	70,000
Statutory Reserve (to be maintained for 3 years)	20,000	Fixed Assets	5,00,000
12% Debentures	1,20,000	Current Assets	1,50,000
Creditors	80,000	Profit & Loss A/c	1,00,000
	8,20,000		8,20,000

Mohan Ltd. agreed to take over the business of Rohan Ltd. on the following terms:

1. All assets and liabilities are taken over.
2. Assets are revalued at ₹6,50,000.
3. Purchase consideration is payable 1/5th in cash and the balance in equity shares of ₹10 each issued at ₹12 per share.
4. Liquidation expenses ₹5,000 are to be paid by Rohan Ltd.
5. Debentures are discharged by Mohan Ltd.
6. The amalgamation is in the nature of purchase.

You are required to:

- a) Calculate Purchase Consideration
- b) Prepare Ledger Accounts in the books of Rohan Ltd.
- c) Pass Journal Entries in the books of Mohan Ltd.

OR

Q.2 B) ABC Engineering Ltd. went into liquidation on 31 March 2022. The Balance Sheet on that date was as follows: (10)

Balance Sheet of ABC Engineering Ltd.

Liabilities	₹	Assets	₹
60,000 Equity Shares of ₹10 each	6,00,000	Land and Building	4,00,000
10% Preference Share Capital	2,00,000	Plant and Machinery	2,20,000
12% Debentures	1,50,000	Stock	90,000
Interest on Debentures	15,000	Debtors	1,10,000
Unsecured Creditors	1,25,000	Cash	25,000
		Profit and Loss A/c	2,45,000
Total	10,90,000	Total	10,90,000

Additional Information:

1. Liquidation expenses ₹5,000 and liquidator remuneration ₹15,000.
2. Debentures are secured by fixed charge on Plant and Machinery.
3. Plant and Machinery realised ₹2,40,000.
4. Other assets realised ₹3,50,000.

Prepare Liquidator's Final Statement of Account.

Q.2/C) Sunrise Ltd (India) exported goods worth \$8,00,000 to Global Inc (USA) on 15 January 2026.

Payments received:

(10)

Date	Amount (\$)
10-Feb-26	3,00,000
20-Mar-26	2,00,000
28-Mar-26	3,00,000

Exchange rates:

Date	Rate
15-Jan-26	₹ 74
10-Feb-26	₹ 75
20-Mar-26	₹ 73
28-Mar-26	₹ 72

Pass Journal Entries in the books of Sunrise Ltd. For the year ended 31st March 2026.

Q.3 A) On 1st April, 2024, SAHIKSHA LTD., an Indian importer, purchased \$3,20,000 worth goods from Bright Star Trading Company of USA.

(20)

The payment for the import was made as follows:

On 15th May 2024 – \$1,20,000

On 10th July 2024 – \$1,00,000

On 25th April 2025 – \$1,00,000

Sahiksha Limited closes its books on 31st March every year.

The exchange rate for \$1 was as follows:

1st April 2024 – ₹83.00

15th May 2024 – ₹83.75

10th July 2024 – ₹82.40

31st March 2025 – ₹84.20

25th April 2025 – ₹85.10

Required:

1. Pass Journal Entries.
2. Prepare Bright Star Trading Company Account and Foreign Exchange Fluctuation Account in the books of Sahiksha Ltd.

OR

Q.3 B) Following is the balance sheet of Suman Ltd. as on 31st March 2025.

(20)

Balance Sheet

Liabilities	₹	Assets	₹
2250 8% Preference Shares of ₹100	2,25,000	Land and Building	4,72,500
4500 Equity Shares ₹100 (₹80 paid)	3,60,000	Plant and Machinery	3,60,000
6750 Equity Shares ₹100 (₹70 paid)	4,72,500	Furniture	9,000
8% Debentures	2,25,000	Office Equipment	18,000
Outstanding Interest	9,000	Stock	1,57,500
Creditors	3,60,000	Debtors	2,52,000
		Bills Receivable	1,35,000
		Cash	31,500
		Profit and Loss A/c	2,16,000

Total	16,51,500	Total	16,51,500
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- (a) There are arrears of preference dividend for three years.
 (b) Creditors include a bank loan of ₹90,000 secured by a charge on the Plant and Machinery and preferential creditors ₹22,500.

(c) The assets realised as follows:

Asset	₹
Land & Building	4,83,750
Plant	1,12,500
Furniture	29,250
Office Equipment	18,000
Stock	1,57,500
Debtors	2,52,000
Bills Receivable	1,35,000

(d) Legal charges amounted to ₹2,250

(e) Liquidation expenses amounted to ₹5,850

(f) The liquidator is entitled to a remuneration of ₹2,250 plus 2% on assets realised and 4% on amount paid to unsecured creditors.

g) The liquidator made payment on 30st June 2025.

Prepare Liquidator's Final Statement of Account.

Q.4 A) From the following Trial Balance of Albert and Gilbert, prepare: Statement of Income and Expenditure for the year ended 31st March 2024, Statement of Assets and Liabilities as on that date as per LLP Act 2008

(20)

Trial Balance as on 31st March 2024

Particulars	₹	Particulars	₹
Drawings A/c:		Capital A/c:	
	2,000	Albert	60,000
Albert	1,000	Gilbert	40,000
Gilbert	44,000	Sales	3,22,000
Opening Stock	1,800	Returns Outward	2,000
Bills Receivable	1,90,000	Discount Received	3,000
Purchases	6,000	Creditors	65,400
Returns Inward	10,000		
Salaries	1,400		
Carriage Outward	24,000		
Wages	1,600		
Insurance	800		
Postage	70,400		
Debtors	24,000		
Furniture	9,800		
Cash in hand	80,000		
Machinery	1,200		
Rent & Taxes	400		
Printing & Stationery	24,000		
Motor Car			
	4,92,400		4,92,400

Adjustments:

1. Closing stock ₹56,000
2. Interest on capital @ 7% p.a.; Interest on drawings: Albert ₹100, Gilbert ₹50
3. Motor car sold on 30-09-2023 for ₹22,000 (the amount being wrongly included in sales)
4. Unrecorded credit purchases ₹10,000
5. Depreciation: Furniture 10%, Machinery 5%, Motor Car 20% p.a.
6. Goods distributed as free samples ₹2,000
7. Create a Reserve for Bad and Doubtful debts @ 5% on Sundry Debtors.

OR

Q.4 Ramdas Ltd, issued 6,50,000 Equity Shares of Rs. 10 each, at a premium of Rs. 2 Per share (entire amount is payable with application). The whole issue was underwritten by Babita, Priya, Saniya and Prem are as follows: (20)

Babita 40% , Priya 30% , Saniya 20% and Prem 10%

The company received applications for 5,56,000 Equity Shares including marked application as below:

Babita 1,55,000 Shares

Priya 1,95,000 Shares

Saniya 75,000 Shares

Prem 71,000 Shares

Underwriters are entitled to get 5% commission on issue price

From the above information find out the liability of underwriters and give journal entries (Including Application money received from public in the books of Ramdas Ltd)

Q.5 A) Explain the procedure to convert Partnership into LLP. (10)

Q.5 B) What is meant by Purchase Consideration? Explain various method of calculating the purchase consideration. (10)

OR

Q.5 C) Write short notes on: (Any Four) (20)

1. Marked and Unmarked Application
2. Designated Partners
3. Preferential Creditors
4. Need of Foreign Currency Conversion
5. Intangible Liabilities
6. Features of Purchase Method of Amalgamation
