

**CARMEL COLLEGE OF ARTS, SCIENCE & COMMERCE FOR WOMEN**  
**NUVEM-GOA**  
**SEMESTER END EXAMINATION, JUNE 2022**  
**Semester: VI of BCOM**

**Course Title: Corporate Accounting and Tax Planning      Course Code: UCOD132**  
**Total marks: 80 Marks      Date: 15/06/2022      Duration: 2 Hours      Total No. of Pages: 3**

*Instructions:*

1. All questions carry equal marks of 20.
2. Q1 is a compulsory question.
3. Attempt **ANY THREE** questions from Q2 to Q6
4. Prepare working notes wherever necessary

**(20 Marks)**

**Q.1.** Following is an abstract of the Balance Sheet of XYZ Ltd. and ABC Ltd. as on 31<sup>st</sup> March 2022.

Particulars	XYZ Ltd	ABC Ltd	Particulars	XYZ Ltd	ABC Ltd
Share Capital (Rs. 1 per share)	40,000	20,000	Building	25,000	24,000
Reserve	10,000	4,000	Furniture	14,000	10,000
Profit & Loss A/c	5,000	2,000	Investment (20,000 shares in ABC Ltd.)	26,000	
Sundry Creditors	10,000	8,000			
	65,000	34,000		65,000	34,000

ABC Ltd. has acquired shares of XYZ Ltd. on 31<sup>st</sup> March 2022. **Prepare a consolidated Balance Sheet as on 31<sup>st</sup> March 2022 and the necessary working notes.**

**(20 Marks)**

**Q.2.** Following is an abstract of the Balance Sheet of H Ltd. and S Ltd as on 31<sup>st</sup> March 2022.

Particulars	H Ltd	S Ltd	Particulars	H Ltd	S Ltd
Share Capital (Rs. 1 per share)	80,000	40,000	Sundry Assets	1,06,000	68,000
General Reserve	16,000	10,000	Investment (30,000 Shares in S Ltd)	28,000	
Profit & Loss A/c	12,000	8,000			
Sundry Creditors	26,000	10,000			
	1,34,000	68,000		1,34,000	68,000

H Ltd. acquired  $\frac{3}{4}$  share capital of S Ltd. on 31<sup>st</sup> March 2022. **Prepare a consolidated Balance Sheet as on 31<sup>st</sup> March 2022 and the necessary working notes.**

**Q.3.** Following is an abstract of the Balance Sheet of P Ltd. and Q Ltd as on 31<sup>st</sup> March 2022.

Particulars	P Ltd	Q Ltd	Particulars	P Ltd	Q Ltd
Share Capital (Rs. 10 per share)	80,000	20,000	Sundry Assets	1,15,000	38,000
General Reserve	3,000	5,000	Investment (in Q Ltd)	32,000	
Profit & Loss A/c	12,000	8,000			
Loans	52,000	5,000			
	1,47,000	38,000		1,47,000	38,000

P Ltd. acquired 1600 share capital of Q Ltd. on 31<sup>st</sup> March 2022. **Prepare a consolidated Balance Sheet as on 31<sup>st</sup> March 2022 and the necessary working notes.**

**Q.4.** TATA MOTOR Ltd. purchased a running business from Mr. RAJ on 1 January, 2021. TATA MOTOR Ltd. was incorporated on 30<sup>th</sup> April, 2021. The combined Profit and Loss account prior to and post the date of incorporation is as follows:

Particulars	Amount
Rent	24,000
Electricity	12,000
Director Fees	16,000
Preliminary Exp	20,000
Carriage Inward	9,000
Salesmen Commission	16,000
Selling Exp	36,000
Carriage Outward	16,000

Additional information:

- 1) Sales upto 30<sup>th</sup> April, 2021 was Rs. 10,00,000/- out of the total sales of 20,00,000/- for the entire year.
- 2) Purchases upto 30<sup>th</sup> April 2020 was Rs. 3,00,000/- and for the remaining months was 6,00,000/-.

**Prepare Profit & Loss statement for the year ended 31<sup>st</sup> December 2021 showing the profits earned prior and post incorporation.**

**(20 Marks)**

**Q.5.** XYZ Ltd. grants options to its employees on 1<sup>st</sup> April 2017 for a vesting period of 3 years at an exercise price of Rs. 100/- each. Number of options granted is 3000 shares. Market price of each shares is Rs. 200/-. The exercise period is one year from the grant of option and the nominal value of the shares is Rs. 10/- each.

**Pass journal entries assuming that there was no change in the number of employees during the vesting period and all the employees availed of the options granted.**

**(4x5 = 20 Marks)**

**Q.6. Answer the following questions:**

- a) List any 5 expenses divided in the ratio of Time.
- b) List any 5 expenses divided in the ratio of Sales.
- c) Explain the term “Vesting Period”.
- d) Explain the term “Exercise Price”.

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