

Dr. Babasaheb Ambedkar Open University
Term End Examination January – 2025

Course : Diploma Course **Date : 02/03/2026**
Subject Code : DAA-03 **Time : 11:30am to 01:45pm**
Subject Name : Accounting in Special Situations for Companies **Duration : 02.15 Hours**

Max. Marks : 70

Q-1 Following are the Balance Sheets of S Ltd. and P Ltd. as on 31-3-2018

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Liabilities	S Ltd.	P Ltd.	Assets	S Ltd.	P Ltd.
Shares of Rs.10 each	2,40,000	75,000	Plant & Machinery	1,80,000	68,000
General reserve	60,000	7,200	Stock	60,000	23,200
Profit & Loss A\C	78,000	18,000	Debtors	24,000	18,000
Creditors	18,000	16,000	6,000 Shares of P Ltd.	1,02,000	-
			Shares of Jyoti Ltd.	30,000	7,000
	3,96,000	1,16,200		3,96,000	1,16,200

Prepare Consolidated Balance Sheet as on 31-3-2018 after considering the following information:

1. When S Ltd. Purchased shares of P Ltd. the books of P Ltd. showed P & L A\C (Cr. Bal.) of Rs. 8,000 and general reserve Rs. 7,200.
2. Out of the goods purchased by P Ltd. from S Ltd. goods of Rs. 12,000 are still in stock, S Ltd. charges a profit of 20% on cost
3. Debtors of S Ltd. include Rs. 5,000 due from P Ltd.

OR

From the following Balance Sheets of H Ltd. and S Ltd. as on 31-03-2019.

Liabilities	H Ltd.	S Ltd.	Assets	H Ltd.	S Ltd.
Shares of Rs. 10 each ,	5,00,000	2,00,000	Sundry Assets	4,70,000	2,60,000
Reserves	1,00,000	---	100% Shares in		
Creditors	80,000	60,000	S Ltd.(at cost)	2,10,000	---
	6,80,000	2,60,000		6,80,000	2,60,000

Prepare a Consolidated Balance Sheet as at 31-3-2019.

Q-2 The following are the Balance Sheets of Hetvi Ltd. and Rajvi Ltd. as on 31st December 2003.

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Liabilities	Hetvi Ltd.	Rajvi Ltd.	Assets	Hetvi Ltd.	Rajvi Ltd.
Shares of Rs. 100 each	10,00,000	5,00,000	Fixed Assets	4,80,000	2,50,000
General Reserve	1,00,000	1,50,000	Investments in Rajvi Ltd.	5,00,000	-
Profit and Loss A/c	1,60,000	1,50,000	Current Assets	7,20,000	7,50,000
Current Liabilities	4,40,000	2,00,000			
	17,00,000	10,00,000		17,00,000	10,00,000

The following further information is furnished:

1. Hetvi Ltd. acquired 3,000 shares in Rajvi Ltd. On 1-4-2003. The reserves and surplus position of Rajvi Ltd.as on 1-1-2003 was as under: General Reserve Rs. 2,50,000, Profit and Loss A/c balance Rs. 1,20,000

2. On 1-7-2003 Rajvi Ltd. issued 1 share for every 4 shares held as bonus shares at a face value of Rs. 100 per share. No entry has been made in the books of Hetvi Ltd. for the receipt of these bonus shares.
3. On 30-6-2003 Rajvi Ltd. declared a dividend out of its pre-acquisition profits of 25% on its Capital and Hetvi Ltd. credited the dividend to its profit and Loss A/c.
4. Hetvi Ltd. owed Rajvi Ltd. Rs. 50,000 for purchase of stock from Rajvi Ltd. The entire stock is held by Hetvi Ltd. on 31-12-2003 Rajvi Ltd. made a profit of 25% on cost.
5. Hetvi Ltd. transferred a machine to Rajvi Ltd. for Rs. 1,00,000. The book value of the machine to Hetvi Ltd. was Rs. 80,000. Prepare a Consolidated Balance Sheet as 31-12-2003.

OR

Bharti limited acquired 3,000 shares of Rs. 100 each out of 4000 shares of Gangu Limited on 1-1-2000. The profits of A Ltd. for the last four years were : 2000 Rs. 50,000; 2001 Rs. 60,000; 2002 Rs. 45,000; 2003 Rs. 56,000. There was a credit balance of Rs. 30,000 of Profit & Loss Account and General Reserve of Rs. 10,000 on 1-1-2000 in the books of Gangu Ltd. Gangu Ltd. had declared dividends at 10% , 12.5%, 9% and 10% respectively for these years. The financial year of Gangu Ltd. ends on 31st December. How will you show in the annual accounts of Niki Ltd. on 31-3-2003 the profit of Gangu Ltd. "dealt with" and "not dealt with" in accordance with Section 212 of the Indian Companies Act ?

Q-3 The financial year of H Ltd. a holding body corporate, ends on 31-3-2019 and that of B Ltd. its subsidiary, ends on 31-12-2018. **14**

The share capital of B Ltd. consists of 5,000 equity shares of Rs. 100 fully paid. On 1-1-2017 H Ltd. acquired 3,000 equity shares in B Ltd. at a cost of Rs. 4,50,000. It also purchased another 1,000 shares in B Ltd. on 15-1-2019. On 1-1-2017, When H Ltd. acquired the shares in B Ltd. the books of B Ltd. disclosed a credit balance of P & L A/c Rs. 10,000 and a reserve of Rs. 25,000. B Ltd. made profits of Rs. 70,000 and Rs. 1,00,000 respectively for the years ending on 31-12-2017 and 31-12-2018. B Ltd. declared dividend at 10% for 2018 and at 12.5% for 2019 free of tax.

Between 1-1-2019 and 31-3-2019, B Ltd. has:

- (1) Purchased a building for Rs. 60,000
- (2) Issued 12% Debentures of Rs. 1,00,000
- (3) Advanced a loan of Rs. 80,000 to Jaihind Ltd.
- (4) Purchased 7% (2003) Gujarat Govt. Loan of Rs. 25000/-

You are required to prepare a statements, as required under sec. 212 to be attached to the Balance Sheet of H Ltd. as on 31-3-2019.

OR

Akash Ltd. acquired 3,000 shares of Rs.100 each of Dharti Ltd. on 30-6-2018 at a price of Rs. 5,20,000 out of total of 4,000 shares. There was general reserve of Rs. 2,50,000 and Profit and loss account of Rs. 20,000 in the books of Dharti Ltd. on that date. Dharti Ltd. issued bonus shares at the rate of 1 share for every. 2 share held out of its general reserve. The credit balance of profit and loss A/c on 31-12-2018 was Rs.60,000.

Show necessary details for preparing consolidated balance sheet.

Q-4 Describe the Legal Provisions Related to the Holding Companies Accounts. **14**

OR

The Balance Sheet of Lallu Ltd. and Chaku Ltd. as on 31-12-2018 are as follows:

Liabilities	Lallu Ltd.	Chaku Ltd.	Assets	Lallu Ltd.	Chaku Ltd.
Share of Rs 10 each fully paid	1,50,000	15,000	Freehold Assets	1,40,000	-
General Reserve	75,000	7,500	Machineries	20,000	8,000
Profit and Loss A/C	25,000	20,000	1,200 share in Chaku Ltd.	30,000	-
Creditors	45,000	4,500	Investment	45,000	15,000
Bills Payable	5,000	6,000	Debtors	35,000	17,000
Conti. Lia. Bill dis. By Lallu but not matured Rs.2,000			Bills receivable	4,000	5,000
			Bank balance	26,000	8,000
	3,00,000	53,000		3,00,000	53,000

Lallu Ltd. acquired shares of Chaku Ltd. on 1-4-2018. The book of Chaku Ltd. disclosed a reserve of Rs. 2,500 and credit balance of profit and loss account of Rs. 8,000 on 1-1-2018. All the bills accepted by Chaku Ltd. were drawn by Lallu Ltd., of which Lallu Ltd. has discounted bills of Rs. 2,000. The debtors of Lallu Ltd. include Rs. 3,000 receivable from Chaku Ltd. The monthly profit was evenly earned during the year.

From the above information, Prepare Consolidated Balance Sheet as on 31-12-2018.

Q-5 Write a Short Notes (Any two)

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1. Minority Interest
2. Unrealized Profits in stock
3. Dividend from Pre-acquisition Profit
4. Holding Company
5. Subsidiary Company
