





Prepare the liquidator's Account.

- Q-4** (B) Give the specimen of realization Account **04**  
**Attempt all questions** **(14)**  
 (A) The balance sheet of A Ltd. As on 31/3/2018 **14**

Liabilities	Rs.	Assets	Rs.
5000, 8% Cum. Pref Sh. Each of Rs. 10	50,000	Goodwill	20,000
20,000 Eq. sh. Each of Rs 10	2,00,000	Land & Building	1,00,000
12% debenture	1,00,000	Plant & Mach.	1,50,000
Creditors	30,000	Furniture	5,000
PF	5,000	Patents	2,000
Bills payable	2,000	Stock	30,000
		Debtors 50,000	
		-B.D.R. <u>1000</u>	49,000
		Bills receivable	3,000
		Cash & Bank	4,500
		P & L A/c	23,500
	3,87,000		3,87,000

A Co. Ltd. Absorbed by B Ltd. As per the following conditions.

- 1) Pref. Sh. Holders should be given four non-cumulative 8% Pref. Sh. Of Rs. 10 each in B Ltd. For every five shares held by them. They should also be paid Rs. 4000 in cash by B Co, Ltd. In full settlement of their arrears of dividend.
- 2) Eq. shareholders should be given four Eq. shares of Rs. 10 each in B Co. for every five shares held by them.
- 3) Debenture holders should be given 10% debentures in B Co. Ltd. Of such value as to give them interest annually, which they use to receive earlier.
- 4) B Co. Ltd. Should take over all assets & liabilities of A Co. for this purpose Land & Building and Plant & Machinery be taken at Rs. 90,000 and Rs. 1,30,000 respectively. Patents are valueless. Provision for B.D.R. is to be calculated at 5% on debtors.

Draw necessary Accounts in the books of A Ltd.

- Q-5** **Attempt all questions** **(14)**  
 (A) Write a note on Reconstruction **07**  
 (B) Write the difference between Amalgamation and Absorption **07**  
**Q-6** **Attempt all questions** **(14)**

- (A) The balance sheets of A Ltd. And B Ltd. As on 31-3-2018 are as under: **14**

Liabilities	A Ltd. Rs.	B Ltd. Rs.	Liabilities	A Ltd. Rs.	B Ltd. Rs.
Eq. Sh. Cap.	20,00,000	4,00,000	Goodwill	-	50,000
GR	6,00,000	10,000	Building	8,00,000	1,10,000
P & L A/c	2,30,000	42,000	Machinery	12,00,000	-
Creditors	1,00,000	30,000	Vehicles	3,50,000	1,30,000
Workers			Stock	3,00,000	64,000



Provident Fund	20,000	-	Debtors	1,10,000	60,000
Bills payable	30,000	1,000	Bill receivable	20,000	2000
			Bank	1,00,000	47,000
			Debenture Discount	-	10,000
			Preliminary Exp.	-	10,000
			Cash	1,00,000	-
	29,80,000	4,83,000		29,80,000	4,83,000

A and B Companies have been amalgamated with following terms:

- 1) New Co. ABC Ltd. Was formed from 1/4/2018 with the authorised share capital of Rs. 24,00,000 distributed in the equity shares of Rs. 10 each. Total paid up share capital should be Rs. 22,50,000.
- 2) Purchase consideration of A Ltd. Was fixed at Rs. 27,00,000 out of which 1,77,200 equity shares of Rs. 10 are to be issued at Rs. 14 and remaining amount to be paid in cash.
- 3) Purchase consideration of B Ltd. Was fixed equal to its net visible assets. Purchase consideration is to be paid by 32,800 equity shares of Rs. 10 at 10% premium, remaining amount to be paid in cash.
- 4) ABC Ltd. Accepts all assets and liabilities of A Ltd. Except cash and bank balance.
- 5) ABC Ltd. Accepts all assets and liabilities of B Ltd.
- 6) Liquidation expenses of A and B Ltd. Were Rs. 10,000 and Rs. 6,000 respectively.
- 7) The remaining shares were issued to public at 200% premium. 50% amount towards share capital account and 50% amount towards premium account was called for and received.

Prepare necessary Accounts

- Q-7** **Attempt all questions** **(14)**
- (A) Write the differences between Method of connection of interest and Purchase method. **07**
- (B) Write the duties of liquidator **07**
- Q-8** **Attempt all questions** **(14)**
- (A) Explain the types of liquidations **07**
- (B) Write a note on types of Reconstruction **07**

