



Name:

Enrolment No:

**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**  
**End Semester Examination, May 2022**

**Course: B.Com (H)**  
**Program: ADVANCED ACCOUNTING**  
**Course Code: FINC2022**

**Semester: IV**  
**Time: 03 hrs.**  
**Max. Marks: 100**

**Instructions:**  
**ALL QUESTIONS ARE COMPULSORY.**

**SECTION A**  
**10Qx2M=20Marks**

S. No.		Marks	CO
<b>Ques 1</b>	<b>MULTIPLE CHOICE QUESTIONS</b>		
(i)	Which of the following is not the source of cash? (a) Purchase of Fixed Assets (b) Funds from Operation (c) Issue of Debenture (d) Sale of Fixed Assets	2	CO1
(ii)	The Meaning of Super Profit is: (a) Average profit being less than normal profit (b) Actual Average profit being more than normal profit (c) Actual Average profit being more than average profit (d) Deficiency of Actual Average Profit	2	CO1
(iii)	Goods costing Rs 2,00,000 sent out to consignee at Cost +25%. Invoice value of the goods will be: (a) Rs.2,50,000 (b) Rs.2,40,000 (c) Rs.300,000 (d) None	2	CO1
(iv)	Goods costing Rs 1,80,000 sent out to consignee to show a profit of 20% on Invoice Price Invoice price of the goods will be:  (a) Rs.2,16,000 (b) Rs.2,25,000 (c) Rs.2,10,000 (d) None	2	CO1
(v)	Goods of the Invoice value Rs 2,40,000 sent out fo consignee at 20% profit	2	CO1

	<p>on cost. The loading amount will be:</p> <p>(a) Rs.40,000  (b) Rs.48,000  (c) Rs.50,000  (d) None</p>		
(vi)	<p>X sent out certain goods to Y of Delhi. 1 /10 of the goods were lost in transit. Invoice value of goods lost Rs 12,500. Invoice value of goods sent out on consignment will be:</p> <p>(a) Rs.1,20,000  (b) Rs.1,25,000  (c) Rs.1,40,000  (d) Rs.1,00,000</p>	2	<b>CO1</b>
(vii)	<p>X of Kolkata sends out goods costing Rs 1,00,000 to Y of Dethi. 3/5th of the goods were Sold by consignee for Rs 70,000. Commission 2% on sales plus 20% of gross sales less all commission exceeds cost price. The amount of Commission will be:</p> <p>(a) Rs.2,833  (b) Rs.2,900  (c) Rs,3,000  (d) Rs.2,800</p>	2	<b>CO1</b>
(viii)	<p>X of Kolkata sends out 1000 bags to Y on Delhi costing Rs 2000 each. 600 bags were sold at 10% above cost price. Sale value will be:</p> <p>(a) Rs.13,20,000  (b) Rs.13,00,000  (c) Rs.12,00,000  (d) Rs.13,50,000</p>	2	<b>CO1</b>
(ix)	<p>X of Kolkata sends out 400 bags to Y on Delhi costing Rs 200 each. Consignor expenses C2 Rs. 2,000. Y expenses non selling Rs 2,000, selling 1,000, 300 bags were sold by Y. Value of consignment stock will be:</p> <p>(a) Rs.20,400  (b) Rs.20,200  (c) Rs.20,000  (d) Rs.21,000</p>	2	<b>CO1</b>
(x)	<p>X of Kolkata sends out 500 bags to Y costing Rs 400 each at an invoice price of Rs 500 each. Consignor's Ac expenses Rs 4,000 consignee's</p>	2	<b>CO1</b>

	expenses, non-selling RS 1,000, selling Rs. 2,000. 400 bags were sold. The amount of Stock Reserve will be		
	(a)Rs.10,000 (b)Nil (c)Rs.20,000 (d) Rs.20,400		
<b>SECTION B</b>			
<b>4Qx5M= 20 Marks</b>			
<b>SHORT ANSWER QUESTIONS</b>			
<b>Ques 2.</b>	What is perpetual/ terminal value?	<b>5</b>	<b>C02</b>
<b>Ques 3.</b>	What is the need of valuing equity of a company?	<b>5</b>	<b>C02</b>
<b>Ques 4.</b>	Differentiate between consignment and joint venture accounts	<b>5</b>	<b>C02</b>
<b>Ques 5.</b>	Explain the method of Preparing Cash Flow Statement.	<b>5</b>	<b>C02</b>
<b>SECTION-C</b>			
<b>3Qx10M=30 Marks</b>			
<b>LONG ANSWER QUESTIONS</b>			
<b>Ques 6.</b>	Bharat Cycles Ltd. of Mumbai sent 400 cycles @ `200 per cycle to Chandra & Sons of Udaipur. Consignee paid 1,400 carriage and ` 600 for insurance. On the way due to truck accident 100 cycles are fully destroyed and only ¼ of purchase price is received from them. Then Chandra & Sons sold 240 cycle @ ` 250 per cycle and sent the demand draft after deducting ` 1,200 for octroi, ` 600 for sales expenses, and ` 2400 for his commission. Consignor got 12,500 from insurance Co. for abnormal loss. Calculate the value of abnormal loss and unsold stock. (a) if abnormal loss occurs in transit of goods (b) if abnormal loss occurs at consignee's godown.	<b>10</b>	<b>C03</b>
<b>Ques 7.</b>	What is Valuation of Equity shares? Explain the methods of valuing of equity shares?	<b>10</b>	<b>C03</b>
<b>Ques 8.</b>	5,000 shirts were consigned by Tanuja & Co. of Delhi to Dabar of Tokyo at cost of ` 375 each. Tanuja & Co. paid freight ` 50,000 and Insurance ` 7,500. During the transit 500 shirts were totally damaged by fire. Dabar took delivery of the remaining shirts and paid ` 72,000 on custom duty. Dabar had sent a bank draft to Tanuja & Co. for ` 2,50,000 as advance payment. 4,000 shirts were sold by him at ` 500 each. Expenses incurred by Dabar on godown rent and advertisement etc. amounted to ` 10,000. He is entitled to a commission of 5%. One of the customer to whom the goods were sold on credit could not pay the cost of 25 shirts.  Prepare the Consignment Account and the Account of Dabar in the books of Tanuja & Co. Dabar settled his account immediately. Nothing was recovered from the insurer for the damaged goods.	<b>10</b>	<b>C03</b>

**SECTION-D**  
**2Qx15M= 30 Marks**

**PRACTICAL QUESTIONS**

<b>Ques 9.</b>	<p>The following particulars are available in the respect of the business carried on by Deepak Ltd.:</p> <p>(a) Capital Employed- Rs.5,00,000.  (b) Trading Profit: 2013-14 – Rs. 1,22,000; 2014-15 – Rs.1,50,000; 2015-16 – Rs.20,000 (Loss); 2016-17 – Rs.2,10,000.  (c) Market Rate of interest on investment 8%.  (d) Rate of risk return on capital invested in business 2%.  (e) Remuneration from alternate employment of the proprietor (if not engaged in the business) Rs.3,000 p.m.</p> <p>You are required to compute the value of goodwill on the basis of 3 years' purchase of super profit calculated on the average profits of the last four years.</p>	<b>15</b>	<b>C04</b>
<b>Ques 10.</b>	<p>X and Y entered into a joint venture business to buy and sale garments to share profits or losses in the ratio of 5:3. X supplied 400 bales of shirting at ` 500 each and also paid ` 18,000 as carriage &amp; insurance. Y supplied 500 bales of suiting at ` 480 each and paid ` 22,000 as advertisement &amp; carriage. X paid ` 50,000 as advance to X. X sold 500 bales of suiting at ` 600 each for cash and also all 400 bales of shirting at ` 650 each for cash. X is entitles for commission of 2.5% on total sales plus an allowance of ` 2,000 for looking after business. The joint venture was closed and the claims were settled.</p> <p>Prepare Joint Venture A/c and Y'S A/c in the books of X and X's A/c in the books of Y.</p>	<b>15</b>	<b>C04</b>