

2. The Balance Sheet of Rajvi Ltd. As on 31-3-2018 was as follows :

(15)

Liabilities	Rs.	Assets	Rs.
30,000, 10% Preference Shares of Rs.10 each fully Paid up.	3,00,000	Goodwill	50,000
60,000 Equity Shares of Rs.10 each fully Paid up.	6,00,000	Building	6,00,000
General Reserve	1,50,000	Less : Depreciation	30,000
Profit & Loss A/c.	20,000	Machineries	4,00,000
15% Debentures	2,00,000	Less : Depreciation	50,000
		Furniture	40,000
		Investment :	
		Shares of Subsidiary Company	30,000
		10% X Ltd. Debenture (Face value Rs. 80,000 interest is taxable)	60,000
Provident Fund	40,000		90,000
Creditors	60,000	Stock	1,50,000
Bills Payable	30,000	Debtors	50,000
	14,00,000	Cash Balance	1,00,000
			14,00,000

Additional information:

1. The present Market value of Building is Rs. 7,50,000
 2. The company's average annual profit (before deducting tax at 50 %) is Rs. 3,00,000
 3. The expected rate of return of company is 10 %.
 4. The value of Goodwill of the company has been ascertained at Rs. 90,000
- From the above particulars, ascertain the Fair value of Equity Share of the company.

OR

(A) The Balance Sheet of Jayesh Ltd. As on 31-3-2018 was as follows :

(08)

Liabilities	Rs.	Assets	Rs.
6000, 8% Preference Shares of Rs.100 each fully Paid up.	6,00,000	Fixed Assets	10,00,000
10,000 Equity Shares of Rs.100 each fully Paid up.	10,00,000	Current Assets	8,00,000
General Reserve	2,00,000	Preliminary expenses	2,00,000
Depreciation Fund	50,000		
Creditors	1,00,000		
Bills Payable	50,000		
	20,00,000		20,00,000

Other information:

1. Fixed Assets are valued at Rs. 15,00,000
 2. Current Assets are valued at Rs. 10,00,000
 3. Preference Shareholders have Preference as regards capital and dividend.
- Find out the value of Equity Shares by Net Assets Method.

(B) What is meant by valuation of shares? Discuss factors affecting value of shares.

(07)

3. Fire occurred in the godown of Messrs. Mayank Bros. of Ahmedabad on 31 st March, 2018 and totally destroyed the stock. From the available records, the following information is given to you for preparing a statement of claim to be presented to the Insurance Company :

(15)

The stock on hand has always been valued at 10% below cost :

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