

Time : 3 Hours

Marks: 75

Note:

1. All questions are compulsory
2. Figures to the right indicate full marks
3. Working notes should form part of your answer
4. Use of simple calculator is allowed

Q.1 A. Select the correct alternative and rewrite the sentence (Any 8)

(8)

- I. Interest on security deposit from electricity consumers _____
 - a. is not payable
 - b. is payable at bank rate or more as prescribed
 - c. is payable only at bank rate
 - d. may be paid at a rate lower than the bank rate
- II. Electricity Tariffs are fixed _____
 - a. by appropriation commission
 - b. under Electricity (Supply) Act, 1948
 - c. under Electricity Act, 1910
 - d. Under Electricity Regulatory Commission Act, 1998
- III. If market value of investment held as current asset is less than cost _____
 - a. Difference is credited to profit & loss a/c
 - b. Difference is debited to profit & loss a/c
 - c. Difference is ignored
 - d. Difference is debited to capital reserve a/c
- IV. Under the Maharashtra Co-Op. Societies Act, a society must prepare the profit & loss A/c and the Balance Sheet for an Accounting year. _____
 - a. As per Schedule VI
 - b. In Form M
 - c. In Form N
 - d. In Form X
- V. Companies having a net worth of Rs. 250 crores and whose equity shares are listed on any stock exchange in India must implement Ind AS for accounting period beginning on or after _____
 - a. 01/04/2015
 - b. 01/04/2016
 - c. 01/04/2017
 - d. 01/04/2018

- VI. In case of electricity companies' depreciation is charged as per _____
- The rate prescribed by the central electricity regulatory commission
 - The rate prescribed by the companies act
 - The rate prescribed by the income tax act
 - The rate prescribed by the comptroller and auditor general of India
- VII. A close ended scheme of a mutual fund is governed by _____
- Exchange rules of the stock exchange where it is listed
 - Listing agreement between the fund and the stock exchange
 - Guidelines issued by the ministry of commerce
 - Companies act provisions relating to transactions in securities
- VIII. Investment policies of a mutual fund are determined by _____
- The fund manager
 - The AMC management
 - The marketing department based on what distributors want
 - The investors
- IX. Section _____ of the Act states that society shall construct its relevant annual financial statement and arrive at its consequent net profit or loss in the manner prescribed
- 65(1)
 - 65(2)
 - 64
 - 68
- X. The maximum amount of cash allowable to be kept by sugar factories
- Rs. 5,000
 - Rs. 1,000
 - Rs. 500
 - Rs. 300

Q.1 B. State whether the following statement is True or False (Any 7) (7)

- The main purpose of the electricity act, 2003 is to distance state electricity boards from tariff determination
- Interest security deposit from electricity consumers is payable at bank rate or more as prescribed
- Entrance fees are treated as revenue receipts
- Water charges are divided among the members on the basis of the area of the flats
- Interest is paid to the holder of the security on the due date, in respect of his actual period of holding
- Profit on sale of current investment is transferred to profit and loss account. While profit on sale of long term investment is transferred to capital reserve

Paper / Subject Code: 85601 / Financial Accounting - VII

- VII. Open-ended schemes generally offer exit option to investors through stock exchange
- VIII. Investment in gold is a hedge against inflation but investment in a gold fund is risky
- IX. A fund's declared NAV does not include loads
- X. IFRS 4 deals with consolidated financial statements

Q.2 A. The trial balance of Vijaya electric supply ltd. for the year ended 31st March, 2022 is as below: **(15)**

PARTICULARS	Dr. Rs. ('000)	Cr. Rs. ('000)
Share Capital:		
Equity Shares of Rs. 10 each		6,250.00
14% Preference Shares of Rs. 100 each		1,875.00
Patents and Trademark	313.00	
15% Debentures		3,087.50
16% Term Loan		1,912.50
Land	1,556.25	
Building	4,391.75	
Plant Machinery	7,132.25	
Mains	565.50	
Meters	393.75	
Electrical Instrument	191.25	
Office Furniture	306.25	
Capital Reserve		627.50
Contingency Reserve		1,503.75
Transformers	2,055.00	
Net Revenue Account		668.75
Stock in Hand	1,506.25	
Sundry Debtors	780.75	
Contingency Reserve Investment	1,501.25	
Cash and Bank	406.75	
Public Lamps	380.00	
Depreciation Fund		3,227.00
Sundry Creditors		815.50
Proposed Dividend		1,512.50
	21,480.00	21,480.00

During 2022-2023, Rs ('000) 12,50 of 14% preference shares were redeemed at a premium of 10% out of proceeds of fresh issue of Equity shares of necessary amounts at a premium of 10%. Prepare for the above period Balancesheet as on 31st March, 2023 as per schedule III of the companies Act, 2013.

OR

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Q.2 B. From the following trial balance as on 31-3-2022, prepare final accounts in the prescribed format as per applicable legal provisions. (15)

DIVYA CHS LTD.

Trial Balance

Particulars	Rs.	Particulars	Rs.
1 Share of MDCH Federation	100	Collection from members	3,97,761
Cash in Banks	3,08,575	Collection for Sinking Fund	10,000
Cash on Hand	6	Income and Expenditure Account	26,605
Electricity Charges	76,170	Interest - Fixed Deposit	62,726
Fixed Deposits	8,00,568	Interest - Savings Bank	8,022
Furniture and Fittings	734	Sinking Fund - Opening	1,65,000
Insurance Charges	9,557	Statutory Reserve Fund - Opening	7,95,661
Office Expenses	1,344	Subscribed :	
Professional Fees	7,000	100 Shares of Rs. 50 each	5,000
Property Taxes	1,49,723		
Repairs & Maintenance	42,940		
Salaries	36,500		
Subscription of Housing Federation	500		
Subscription to the Education Fund	300		
Water Charges	36,758		
	14,70,775		14,70,775

Adjustments:

(a) Outstanding expenses -,

(i) Salary Rs. 3,200

(i) Water charges Rs. 12,394

(iii) Repairs and Maintenance Rs. 4,200

(iv) Electricity Charges Rs. 13,500

(b) Depreciation on Furniture @ 10%

(c) Authorized Capital: 180 shares of Rs. 50 each

(d) Dues from members for establishment expenses Rs. 43,242

Q.3 A. During the year ended 31st March, 2023 Mr. Virag bought and sold the following 12% Debentures of Rs. 100 each of Limozin Ltd. Interest being payable by Limozin Ltd. on 1st April and 1st October each year. (15)

Date	Particulars
1st June, 2022	Bought 300 Debentures at Rs.92 ex-interest
1st September, 2022	Bought 100 Debentures at Rs.94 cum-interest
1st December, 2022	Sold 200 Debentures at Rs.95 ex-interest
1st February, 2023	Bought 150 Debentures at Rs. 98 cum-interest

Books are closed on 31st March every year. Market price on 31st March, 2023 was Rs.90 per Debenture. You are required to prepare Investment in 12% Debentures in Limozin Ltd. Account for the year ended 31st March, 2023 in the books of Mr. Virag (Apply AS 13).

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Q.2 A. The trial balance of Vijaya electric supply ltd. for the year ended 31st March, 2022 is as below: **(15)**

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Building	4,391.75	
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	21,480.00	21,480.00

During 2022-2023, Rs ('000) 12,50 of 14% preference shares were redeemed at a premium of 10% out of proceeds of fresh issue of Equity shares of necessary amounts at a premium of 10%. Prepare for the above period Balancesheet as on 31st March, 2023 as per schedule III of the companies Act, 2013.

OR

OR

Q.3 B. Miss Bhagawati entered into the following transactions of purchase and sales of 12% Debentures of 100 each of Mansi Ltd. Interest is payable on 30th June and 31st December every year. Transactions are as under: (15)

Date	No. of Debentures	Terms
01-04-2022	800	Opening Balance at a cost of Rs. 76,000
01-06-2022	300	Sold at Rs. 105 each cum-interest
01-09-2022	700	Purchased at Rs. 98 each Ex-Interest
01-12-2022	400	Purchased at Rs. 108 each Cum-Interest
01-02-2023	900	Sold at Rs.97 each Ex-Interest.

Prepare Investment Account of 12% Debentures in the books of Bhagawati for the year ended 31st March, 2023. The market value on 31st March, 2023 was Rs 67,500 of the said Investment. Apply AS-13

Q.4 A. On 1st April, 2022, Good Return Mutual Fund has the following assets and prices at 3.00 p.m (15)

Shares of	No. of Shares	Market Price Per Shares
X Ltd.	10000	18.50
Y Ltd.	35000	384.40
Z Ltd.	10000	263.60
A Ltd.	75000	575.60
B Ltd.	20000	27.65
No. of Units of Fund		5,00,000 units

(a) Calculate the Net Asset Value (NAV) of the fund.

(b) Assuming Mr. Suresh, send a cheque of Rs.75,00,000 to the fund on 1st April, 2022 and Fund of Manager purchases 15,000 shares of Z Ltd. and balance is held in bank. What will be the new position of the fund?

(c) Calculate the new Net Asset Value (NAV) of the fund if on 2nd April, 2022, at 3.00 p.m. the market price of shares is as follows:

Shares of	Rate per Shares (in Rs.)
X Ltd.	21.30
Y Ltd.	417.00
Z Ltd.	289.80
A Ltd.	512.20
B Ltd.	35.00

OR

Q.4 B. A Mutual Fund Co. has the following assets under it on the close of business as on: (15)

Company	No. of shares	1st February 2022 Market Price Per Share (Rs.)	2nd February 2022 Market Price Per Share (Rs.)
L Ltd.	20,000	20.00	20.50
M Ltd.	38,000	312.40	360.00
N Ltd.	20,000	361.20	383.10
P Ltd.	60,000	505.10	503.90

Total No. of Units 6,00,000

1. Calculate Net Assets Value (NAV) of the fund.

2. Following information is given: Assuming one Mr. A, submits a cheque of Rs.30,00,000 to the Mutual Fund and the Fund Manager of this company purchases 8,000 shares of M Ltd.; and the balance amount is held in Bank. In such a case, what would be the position of the fund?

3. Find new NAV of the fund as on 2nd February, 2022.

Q.5 A. Explain the need of convergence with IFRS in India (8)

Q.5 B. Enumerate Advantages and disadvantages of a mutual fund (7)

OR

Q.5 A. Write short Note (Any 3) (15)

- 1) Tax Saving Schemes
- 2) Debenture investment Account
- 3) Types of Mutual Fund
- 4) Large cap, Mid Cap and small Cap
- 5) ELSS
