

April - 2018

T4BCBI (10) (10) (Pinn. Reports) Q. P. Code: 33993

TIME:-2:30 Hrs.

MARKS: - 75

- Note: - 1) Attempt all questions. 2) Figures to the right indicate full marks.  
3) Working note should be part of answer. 4) Use of simple calculator is allowed.

Q1) Select appropriate option and re-write the statement. (08)

- a) 1) Schedule 1 in insurance final accounts includes \_\_\_\_\_  
a) Premium Earned b) Share Capital
- 2) \_\_\_\_\_ is owed funds.  
a) Creditors b) Debentures
- 3) \_\_\_\_\_ is used to judge the profitability of a firm.  
a) NP Ratio b) Stock Turnover Ratio
- 4) Schedule 3 in bank final accounts includes \_\_\_\_\_  
a) Deposits b) Borrowings
- 5) Interest on Deposits is shown by a bank in \_\_\_\_\_  
a) Schedule of Interest Earned b) Schedule of Interest Expended
- 6) \_\_\_\_\_ is a Current Asset.  
a) Government Securities b) Bills Receivable
- 7) Standard Debt/Equity Ratio = \_\_\_\_\_  
a) 1:1 b) 2:1
- 8) Return on Equity = \_\_\_\_\_ / \_\_\_\_\_  
a) NPAT/Proprietor's Fund b) EBIT/ Capital Employed

Q1) State whether the following statements are true or false. (07)

- b)
- 1) Capital Reserve is Statutory Reserve
  - 2) Loss asset should be written off.
  - 3) Standard Assets are known as Non-Performing Assets.
  - 4) The Company which re-insures a risk is called as Re-insuring or Accepting Company.
  - 5) Sale of Building is cash outflow from investing activities.
  - 6) Net Profit ratio shows the solvency of the company.
  - 7) Standard Current ratio is 2:1

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- Q2) From the following balances of Mahadev Bank Ltd. prepare Balance sheet of the Bank on 31<sup>st</sup> March, 2018. Following balances stood in the books of the bank after preparing final accounts. (15)

Particulars	Rs.
Share Capital	7,000
Reserves and Surplus	4,000
Fixed Deposit Accounts	13,300
Savings Deposit Accounts	62,000
Current Account (Credit)	92,000
Money at call and short notice	4,400
Investments:-	
Government Bonds	40,000
Shares	2,000
Profit and Loss Account (Credit on 31 <sup>st</sup> March, 2017)	3,300
Dividend for 2017	700
Land And Building at cost	10,000
Furniture at cost	6,000
Cash in Hand	1,840
Cash with RBI	20,000
Loans and advances	50,000
Cash Credit	40,000
Overdrafts	8,000
Cash with other Banks	18,000
Bills discounted and Purchased	8,400
Borrowings	8,800
Sundry Creditors	420
Bills Payable	11,200
Unclaimed Dividend	420
Bills for Collection	1,960
Acceptances on behalf of customers	2,800
Net Profit (2017-2018)	3,000
Statutory Reserve	900

**Additional Information:-**

- a) Net profit is after deducting :-  
Provision for bad debts: -Rs. 420  
Provision for tax: - Rs. 1,400  
Rebate on Bills Discounted: - Rs. 70  
Depreciation on Land and Building: - Rs. 1,000  
Depreciation on Furniture: - Rs. 110
- b) Transfer to Statutory Reserve 20% of profit.

**OR**

- Q2) Write short note on: -

- a) Any 3 provisions of Banking Regulation Act, 1949  
b) Inter Office Adjustments  
c) Rebate on Bills Discounted

(15)

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Q3) M/s. Marine Insurance Co. Ltd. furnishes the following details for the year ended 31<sup>st</sup> March: (15)

Particulars	2016	2017
Premium less reinsurance	4,60,000	5,60,000
Commission on direct business	22,000	32,000
Commission on reinsurance ceded	16,000	24,000
Commission on reinsurance accepted	40,000	20,000
Claims paid	78,000	1,10,000
Depreciation	12,000	14,000
Audit fees	8,000	10,000
Salaries to staff	1,20,000	1,24,000
Printing and postage	8,000	12,000
Legal charges	6,000	8,000
Bad debts	4,000	2,000
Miscellaneous expenses	10,000	12,000

Other information:

(a) Claims outstanding: 31/3/2015 Rs. 9,000; 31/3/2016 Rs. 12,000 and 31/3/2017 Rs. 11,000.

(b) Reserve for un-expired risk on 31/3/2015 Rs. 1,50,000.

Additional Reserve on 31/3/2015 Rs. 15000.

These are to be maintained at 100% and 10% of Net premium respectively. Prepare Revenue Account for the years ended 31/3/2016 and 31/3/2017.

**OR**

Q3) Write Short Notes

(15)

1. Reserve for Unexpired Risk
2. Annuities
3. Claim

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- Q4) Following details are taken from the Trial Balance of Kanishk Ltd. (15)

Particulars	Cost	Provision for Depreciation (1/4/2017)
Land and Building	2,50,000	20,000
Furniture	50,000	12,500
Goodwill	1,25,000	-
Motor Cars	1,50,000	40,000
Plant and Machinery	1,00,000	25,000

Provide depreciation on written down value of the assets at the following rate:

Land and Building	5%
Plant and Machinery	20%
Motor Cars	20%
Furniture	15%

Prepare a Schedule for Fixed Assets as on 31<sup>st</sup> March, 2018 as per Revised Schedule VI.

**OR**

- Q4) Explain the Provisions of Schedule VI of Companies Act, 1956 as regard to (15)

1. Share Capital
2. Contingent Liability
3. Long Term Borrowing

- Q5) From the following balance sheet of X Ltd. Prepare cash flow statement. (15)

Liabilities	2016 Amount	2017 Amount	Assets	2016 Amount	2017 Amount
Equity share capital	3,00,000	4,00,000	Goodwill	1,15,000	90,000
8% Redeemable Preference share capital	1,50,000	1,00,000	Land & Building	2,00,000	1,70,000
General Reserve	40,000	70,000	Plant	80,000	2,00,000
Profit & Loss A/c	30,000	48,000	Debtors	1,60,000	2,00,000
Proposed dividend	42,000	50,000	Stock	77,000	1,09,000
Creditors	55,000	83,000	Bills Receivables	20,000	30,000
Bills Payable	20,000	16,000	Cash in Hand	15,000	10,000
Provision for Taxes	40,000	50,000	Cash in Bank	10,000	8,000
	6,77,000	8,17,000		6,77,000	8,17,000

Additional Information:

- a) Depreciation of Rs. 10,000 and Rs. 20,000 have been charged on Plant and Buildings respectively in 2017.
- b) An Interim dividend of Rs. 20,000 has been paid in 2017.
- c) Rs. 35,000 Income tax was paid during the year 2017.

OR

Q5) From the following information of M/s Deepak Co Ltd. Prepare Balance sheet with as many details (15)

As possible:

- 1) Current Ratio 2.5:1
- 2) Liquid Ratio 1.5:1
- 3) Working capital Rs.1,20,000
- 4) Bank Overdraft Rs.20,000
- 5) Reserves and Surplus Rs.80,000
- 6) Fixed Assets to Proprietors fund 0.75:1
- 7) There is no Long term loan and Investment and Fictitious assets.
- 8) Current Assets includes only Stock, Debtors and Cash balance in the ratio 11:5:4 respectively.

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