

Duration 2 ½ Hour

Marks: 75

- Note: 1) All questions are compulsory.
2) Working note should form part of your answer.
3) Figures to the right indicate full marks.

Q1A) Match the Column (Any 8 / 10)

(8)

Column A	Column B
Banking Companies	Profit & Loss Account of Insurance Company
Schedule 3 of Banking Companies	25% of Current Year Profit
Statutory Reserve	100% of Net Premium Received
Reserve for Unexpired Risk in case of Marine Business	AS-3
Cash Flow Statement	Deposits
Sale of Investment	Balance sheet of Banking Companies
Form B-PL	Must be Broad in Scope
Form A	Provides Consistency
Principle Based Approach	Investing Activity
Rule Based Approach	Governed by Banking Regulation Act 1949

Q1B) State whether following statement is True or False (Any 7 / 10)

(7)

- 1) A banking company requires a licence from SEBI.
- 2) Schedule 9 of Banking Companies is advances
- 3) Schedule 1 of Insurance Companies is Commission
- 4) Claims on Reinsurance Accepted is less from claims paid
- 5) Gross Block less Accumulated Depreciation = Net Block
- 6) The final accounts of companies are to be prepared in accordance with the provision of Companies Act 1956
- 7) Payment to employees is a cash out flow
- 8) ASB is Accounting standard board
- 9) Share Based Payment is governed by IFRS 2
- 10) Purchase of Furniture will be shown in the Cash Flow Statement as Investing cash flow

Q2 A) From the following information find out the amount of provision required to be made in the Profit & Loss Account of Laxmi Commercial Bank Ltd for the year ended 31/3/2022

(8)

Advances	Rs (lakhs)
Standard Asset	1,200
Sub- Standard Asset	440
Doubtful Asset :	
Upto One year	180
One to Three years	135
More than 3 years	60
Loss Asset	120

Q2B) Calculate Rebate on Bills Discounted as on 31/3/2022 from the following data. (7)

Date of Bill	Amount (Rs)	Period	Rate of Discount
15/1/2022	2,50,000	5 months	9%
10/2/2022	1,50,000	4 months	12%
25/2/2022	2,00,000	4 months	8%

OR

Q2) The following is the balance sheet of Avishkar Bank Ltd as on 31/3/2022

Particulars	Debit	Credit
Share Capital (FV Rs 10 each)		3,00,000
Statutory Reserve		4,00,000
Fixed Deposits		2,78,000
Saving Bank Deposits		4,50,000
Current Deposits		3,74,000
Cash in hand	2,90,000	
Cash with RBI	4,20,000	
Interest and Discount		3,00,000
Commission and Brokerage		50,000
Interest on Fixed Deposits	30,000	
Interest on Saving Bank Deposit	20,000	
Interest on Current Deposits	12,000	
Salaries	1,31,000	
Rent, Insurance and Taxes	4,000	
Postage and Telegram	900	
Printing & Stationery	7,000	
Audit Fees	4,000	
Depreciation	3,100	
Investment in Shares	84,000	
Loans ,Cash Credit and Overdraft	4,90,000	
Bills Discounted and Purchased	1,80,000	
Government Bonds	1,60,000	
Furniture	40,000	
Premises	3,00,000	
Bills Payable		24,000
	21,76,000	21,76,000

Additional Information :

- 1) Rebate on Bills Discounted Rs 22,000
- 2) Create Reserve for Doubtful Debts Rs 12,000
- 3) Acceptances on Behalf of Customer Rs 1,80,000

You are required to prepare Profit & Loss Account for the year ended 31/3/2022 and Balance Sheet as on that date

(15)

Q3) From the following figures taken from Mata Insurance Co Ltd prepare Revenue Account Marine Department for the year ended 31st March 2022. (15)

Particulars	Amt Rs
Reserve For Unexpired Risk as on 1 st April 2022	20,40,000
Premium on Direct Business	31,60,000
Claims Outstanding as on 1 st April 2022	5,60,000
Claims Paid During the year	17,40,000
Commission Paid	10,40,000
Premium On Reinsurance Accepted	14,60,000
Premium On Reinsurance Ceded	6,40,000
Commission on Reinsurance Ceded	32,000
Claims Outstanding as on 31 st March 2022	2,80,000
Reinsurance Claims Recovered	8,60,000
Commission on Reinsurance Accepted	73,000
Operating Expenses	8,60,000

OR

Q3)From the following balances of Jai General Insurance Co Ltd as on 31/3/2022.Prepare Fire Revenue Account , Marine Revenue Account and Profit & Loss Account. (15)

Particulars	Rs	Particulars	Rs
Commission :		Commission earned on Reinsurance Ceded :	
Fire	1,80,000	Marine	1,20,000
Marine	2,16,000	Fire	60,000
Claims Paid :		Share Capital	18,00,000
Fire	3,60,000	Management Expenses :	
Marine	7,20,000	Fire	2,90,000
Bad Debts Recovered	4,000	Marine	8,00,000
Share Transfer Fees	8,000	Premium :	
Directors Fees	30,000	Fire	12,00,000
Auditors Fees	50,000	Marine	21,60,000
Bad Debts :		Profit on Sale of Land	1,20,000
Marine	24,000	Miscellaneous Receipts	10,000
Fire	10,000	Interest And Dividend	28,000
		Depreciation	70,000

Q4A)The authorised share capital of a Tamba Ltd is Rs 2,00,00,000 divided into 1,00,000 10% Preference Shares of Rs 100 each and 10,00,000 Equity Shares of Rs 10 each.75% of each class of shares were issued to the public fully paid up. Rs 20 per share on 2,000 10% Preference Shares and Rs 4 per share on 40,000 equity shares was not received.

The company reserves and surplus was as under

Particulars	Rs
General Reserve (Opening Balance)	60,00,000
Profit & Loss Account (Opening Balance)	20,00,000
Net Profit for the year	1,20,00,000
Interim Dividend Paid	56,00,000
Transfer made to General Reserve	40,00,000

Prepare the Notes on Share Capital and Reserves & Surplus forming part of Balance Sheet of the company. (08)

Q4B) Prepare Fixed Asset Schedule from the following details

Particulars	Cost (Rs) (1/4/22)	Provision for Depreciation (1/4/2022)
Goodwill	5,00,000	---
Land & Building	23,00,000	3,00,000
Plant & Machinery	5,75,000	75,000
Delivery Van	50,000	20,000

Depreciation is to be provided as : Land & Building @ 5% ; Plant & Machinery @ 12% and Delivery Van @ 15% on WDV Method (07)

OR

Q4) Zim Ltd gives you the following balancesheet for the year ended 31st March 2021 and 31st March 2022. Prepare and estimate cash flow for the year ended 31st March 2022. (15)

Liabilities	2021	2022	Asset	2021	2022
Share Capital	2,50,000	3,00,000	Goodwill	50,000	40,000
Reserves	1,69,000	1,51,500	Land & Building	2,50,000	2,75,000
Debentures	2,50,000	3,00,000	Plant & Machinery	3,00,000	3,70,000
Bank Loan	80,000	1,00,000	Investment	40,000	50,000
Creditors	40,900	50,700	Stock	30,000	40,000
Proposed Dividend	35,000	40,000	Debtors	62,000	62,500
Provision for taxation	40,000	55,500	Cash Balance	12,000	10,000
			Bank Balance	1,20,900	1,50,200
	8,64,900	9,97,700		8,64,900	9,97,700

Other Information:

- 1) The Company Paid tax for Rs 45,000 during the year
- 2) Depreciation was charged on Land & Building and Plant & Machinery at 12,000 and 17,000 respectively
- 3) Investment costing Rs.10, 000 was sold for Rs.12, 000 during the year .

Q5a) What are the reasons for unethical reporting? (8)

Q5b) What are the objectives of IND AS 10? (7)

OR

Q5) Write Short Notes (Any 3 / 5) (15)

- 1) Whistle Blowers.
- 2) Reserve for Unexpired Risk.
- 3) Importance of Cash Flow Statement.
- 4) Rebate on Bill Discounted.
- 5) Need for Converge of IFRS.
