

Duration: 2½ Hours

Total 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

Q1) A) Select the most appropriate alternative from those given below and rewrite the statement. (Any 8) (08)

- 1) A banking company in Mumbai must have _____ capital.
 a) 15 lakh b) 25 lakh c) 35 lakh d) 5 lakh
- 2) Money at call and short notice can be withdrawn by _____ notice.
 a) 7 days b) 24 hours c) 14 days d) 21 days
- 3) Fire insurance policies are always subject to _____
 a) Provision B) Current liability C) Average clause D) None of the above
4. Revenue A/c is prepared in _____ form
 a) A-RA b) B-RA c) C-RA d) D-RA
- 5) Net Block in asset schedule is Gross Block minus _____
 a) current liabilities b) reserve c) Accumulated Depreciation d) All of the above
- 6) Interim dividend of a company can be declared by _____
 a) Shareholders b) Board of directors c) Auditor d) SEBI
- 7) Purchase of building is ----- activity in cash flow.
 A) Operating B) investing C) financing D) marketing
- 8) Refund of income tax is a cash flow from _____ activity.
 A) Operating B) investing C) financing D) marketing
- 9) Ethical behaviour should be practiced with _____
 a) all Stakeholders b) only Shareholders c) Customers d) None of the above
- 10) Ind AS 102 is _____ IFRS 2.
 a) Share based payment b) Cash based payment c) Converged d) none

Q1) B) State TRUE OR FALSE (ANY 7) (07)

1. Deposits are repayable on demand.
2. Provision on bills discounted is shown under contingent liability
3. The term surrender is used in life insurance.
4. Fresh issue of shares is investing activity
5. The amount at which the asset could be exchanged is a Fair value.
6. IFRS 1 is for frequent users.
7. Whistle blowers can be employees of the company.
8. Balances with RBI is shown under schedule 7 in banking final accounts.
9. Financial analysis is useful for knowing profitability.
10. NPA provisioning is not applicable to Banking Company

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Q. 2(A) From the following information prepare Profit and Loss Account in the books of SBI Limited for the year ended 31 March, 2023. (15)

| Particulars | Rs. | Particulars | Rs. |
|--|----------|-------------------------------|--------|
| Interest on Bank Overdraft | 1,50,000 | Interest on Recurring Deposit | 20,000 |
| Interest on Cash Credit | 1,00,000 | Interest on other deposits | 30,000 |
| Interest on balances with other banks | 2,00,000 | Locker rent | 5,000 |
| Interest on other loans given | 1,00,000 | Commission and brokerage | 10,000 |
| Interest on Fixed Deposit | 50,000 | Dividend received | 10,000 |
| Interest on Saving Deposit | 75,000 | Salary | 25,000 |
| Interest on Current Deposit | 25,000 | Printing and stationery | 10,000 |
| Depreciation | 20,000 | Discount on bills discounted | 70,000 |
| Office expenses | 10,000 | Rebate on bills discounted | 10,000 |
| Profit and Loss Account Credit balance Opening | 50,000 | Office rent | 5,000 |
| Advertisement | 10,000 | Directors fees | 5,000 |

Additional Information

1. Provision for doubtful debt is Rs. 10000.
2. Provision for taxation is Rs. 15000.
3. Statutory reserve should be 25%.

OR

Q.2 (B). From the following information prepare Balance sheet in the books of BOI Limited as on 31 March, 2023. (15)

| Particulars | Rs. | Particulars | Rs. |
|-----------------------------|----------|--------------------------------|----------|
| Equity share capital | 2,00,000 | Recurring Deposit | 30,000 |
| General reserve | 20,000 | Loan from RBI | 1,00,000 |
| Statutory reserve | 50,000 | Bills payable | 40,000 |
| Profit and loss account Cr. | 25,000 | Outstanding expenses | 20,000 |
| Fixed Deposit | 1,00,000 | Tax provision | 25,000 |
| Saving Deposit | 1,20,000 | Bank over draft | 50,000 |
| Current Deposit | 50,000 | Cash in hand | 25,000 |
| Balances with other banks | 30,000 | Cash with RBI | 20,000 |
| Money at call | 50,000 | Cash credit | 1,00,000 |
| Money at short notice | 25,000 | Bills purchased and discounted | 55,000 |
| Investments | 75,000 | Building | 50,000 |
| Furniture | 1,00,000 | Goodwill | 25,000 |
| Land | 75,000 | Bills receivable | 1,00,000 |
| Non-banking assets | 25,000 | Advance tax | 25,000 |

The authorized capital of the bank consists of 50000 Equity shares of Rs. 10 each.

Q.3 (A) Calculate net premium earned as on 31/03/2023 from the following. (08)

| | |
|---|--------------|
| Premium on direct business | Rs 4,30,000 |
| Premium on direct business o/s on 01/04/2022 | Rs. 22,000 |
| Premium on direct business o/s on 31/03/2023 | Rs. 40,000 |
| Premium on reinsurance ceded | Rs. 1,22,000 |
| Premium on reinsurance ceded o/s on 01/04/2022 | Rs. 11,000 |
| Premium on reinsurance ceded o/s on 31/03/2023 | Rs. 14,000 |
| Premium on reinsurance accepted | Rs. 1,35,000 |
| Premium on reinsurance accepted o/s on 01/04/2022 | Rs. 38,000 |
| Premium on reinsurance accepted o/s on 31/03/2023 | Rs. 34,000 |

Q.3 (B). Prepare Revenue Account in the books of GIC for Fire Business for the year ended 31 March, 2023. (07)

| | |
|------------------------------------|------------|
| Premium on direct business | Rs. 500000 |
| Premium on reinsurance accepted | Rs. 100000 |
| Premium on reinsurance ceded | Rs. 50000 |
| Commission on direct business | Rs. 75000 |
| Commission on reinsurance accepted | Rs. 20000 |
| Commission on reinsurance ceded | Rs. 20000 |
| Claims less outstanding paid | Rs. 250000 |
| Reinsurance recoveries | Rs. 20000 |
| Operating expenses: Rent | Rs. 15000 |
| Management expenses | Rs 15000 |
| Depreciation | Rs 10000 |

OR

Q.3 (C) From the following balances as on 31/03/2022; prepare Revenue account for the Marine business of Mangalya Company Ltd. (15)

| Particulars | Direct Business(Rs.) | Re-insurance Business(Rs.) |
|-----------------------------------|----------------------|----------------------------|
| (A)Premium | | |
| (1)Received | 2,30,000 | 36,000 |
| (2)Receivable On 1st April,2021 | 9,500 | 12,500 1400 |
| (2)Receivable On 31st March, 2022 | 13,000 | 12,500 18250 |
| (3)Paid | | 23,000 |
| (4)Payable On 1st April,2021 | | 14,000 |
| (4)Payable On 1st April,2022 | | 18,250 |
| (B)Claims | | |
| (1)Paid | 1,17,500 | 15,000 |

| | | |
|--------------------------------------|--------|----------|
| (2) Payable On 1st April, 2021 | 6,250 | 1,500 |
| (2) Payable On 31st March, 2022 | 7,750 | 1,750 |
| (3) Received | | 6,500 |
| (4) Receivable On 1st April, 2021 | | 1,500 |
| (4) Receivable On 31st March, 2022 | | 750 |
| (C) Commission | | |
| Paid | 11,000 | 1,000 |
| (D) Other Expenses and Income | | |
| (a) Salaries | | 70,000 |
| (b) Rent and Rates | | 20,000 |
| (c) Postage | | 1,500 |
| (d) Stationery | | 15,000 |
| (e) Dividend and Interest Received | | 60,000 |
| (f) Commission Received | | 1250 |
| (g) Legal Expenses | | 9,000 |
| (h) Balance of Fund on 01/04/2021 | | 1,92,500 |

Q4) (A) The Trial Balance of Bharat Ltd. shows the following figures relating to Fixed Assets as on 31-3-2021: (8)

| | |
|-----------------------------------|--------------|
| Plant & Machinery | Rs 20,00,000 |
| Goodwill (at Cost) | Rs 15,00,000 |
| Furniture | Rs 8,00,000 |
| Depreciation Provision (Opening): | |
| On Plant & Machinery | Rs. 5,00,000 |
| On Furniture | Rs. 75,000 |

Further particulars are available:

- Depreciation to be provided during the year at 10% on Straight Line Method.
- There was an addition to Machinery of Rs 100000 on 01-10-2020 and Furniture of Rs 25000 on 01/01/2021.
- Prepare the schedule of Fixed Assets.

Q4) (B) Sarkar Ltd. furnishes the following summarized Information. (7)

| Particulars | Rs in Lakhs |
|---|-------------|
| Equity Share Capital | 780 |
| Reserves and surplus | 200 |
| Long term borrowings | 1,000 |
| Fixed assets -Tangible | 1,200 |
| Trade receivables | 160 |
| Share application money pending allotment | 20 |

| | |
|-------------------------|-----|
| Trade payables | 40 |
| Inventories | 40 |
| Cash & cash equivalents | 240 |
| Non current Investments | 400 |

The Directors declared dividends of Rs 20 lakhs after Balance sheet date.
Prepare Balance Sheet as at 31-3-2021 as Per Revised Schedule III.

OR

Q4) (C) From the following Balance Sheets of ZEE Ltd , prepare cash flow statement as per AS – 3 (15)

| Liabilities | 31-3-2021 (Rs.) | 31-3-2022 (Rs) | Assets | 31-3-2021 (Rs.) | 31-3-2022 (Rs) |
|------------------------|--------------------|-------------------|-------------------|--------------------|-------------------|
| Share capital | 10,00,000 | 10,00,000 | Goodwill | 14,000 | - |
| General reserve | 3,00,000 | 3,00,000 | Land & Buildings | 10,00,000 | 9,50,000 |
| Profit & loss A/c | 1,52,000 | 1,40,000 | Plant & Machinery | 8,00,000 | 7,00,000 |
| Bank Loan | 3,00,000 | 3,50,000 | Sundry Debtors | 3,08,000 | 5,14,000 |
| Proposed dividend | 50,000 | - | Stock | 1,40,000 | 2,00,000 |
| Sundry Creditors | 4,60,000 | 5,50,000 | Equipment | 80,000 | 70,000 |
| Provision for taxation | 1,00,000 | 1,00,000 | Cash | 20,000 | 6000 |
| | 23,62,000 | 24,40,000 | | 23,62,000 | 24,40,000 |

Other information:

- Depreciation was provided on Plant and Land and Buildings and equipment during the year ended 31/3/2022.
- Dividend of Rs 50,000 Was paid during the year 31-3-2022.
- Machinery of Rs 50,000 and equipment of Rs 20,000 were purchased during the year ended 31/3/2022.
- Income tax provision of rs 1,30,000 was made for the year ended 31/3/2022.

- Q.5) a) Explain whistle blowing and its benefits. (8)
b) Discuss the objective and scope of AS101? (7)

OR

Q.5) Write short notes on: (Any 3) (15)

- NPA Provision
- Surrender value
- Contingent Liability
- Benefits of code of ethics
- Benefits of convergence with IFRS