

Duration: 2.5 hrs.

Marks: 75

- Note: 1. Question No. 1 is Compulsory.
2. Question No. 2,3,4 and 5 have internal options.
3. Each question carries 15 marks.

- Q.1 A) Fill in the blanks with correct alternatives (Attempt any Eight) (8)
- 1) Profit on revaluation of investments is shown by a bank in schedule of _____ in banking company final accounts. (8)

(a) Operating Expenses	(b) Other Incomes
(c) Investments	(d) Current Assets
 - 2) _____ comes under Other Assets of Balance Sheet in Banking Final Accounts.

(a) Fixed Deposits	(b) Loans
(c) Branch adjustment (Dr)	(d) Cash Credit.
 - 3) Which of the following is a key function of NBFCs?

(a) Issuing currency notes	(b) Providing credit and loans
(c) Accepting savings deposits	(d) Conducting monetary policy
 - 4) _____ has the power to cancel the registration of an NBFC

(a) Ministry of Finance	(b) RBI
(c) SEBI	(d) IRDAI
 - 5) Claims on Direct Business – 1,20,000, Premium on Reinsurance Business Accepted – Rs. 20,000, Claims on Re-insurance Business Accepted – 20,000, Claims on Re-insurance Business Ceded – 30,000. Expenses related to claims - surveyors fees – 5,000, legal expenses – 6,000. Net Claims aid would be _____.

(a) Rs.1,70,000	(b) Rs. 1,10,000
(c) Rs.1,21,000	(d) Rs.1,41,000
 - 6) Balance Sheet is prepared in Form _____.

(a) A-BS	(b) B-BA
(c) C-BS	(d) B-BS
 - 7) Valuation of goodwill is not mandatory in case of

(a) Amalgamation of firm	(b) Admission of new partner
(c) Retirement of new partner	(d) Purchase of new asset
 - 8) Goodwill is valued at Four years purchase of super profit, The value of Goodwill is Rs 8,00,000, the super profit is

(a) Rs. 8,00,000	(b) Rs. 32,00,000
(c) Rs. 2,00,000	(d) Rs. 24,00,000
 - 9) The maximum number of partners LLP can have is _____.

(a) 7	(b) 50
(c) 2	(d) No Limit
 - 10) _____ is a hybrid business form combining features of a partnership and company

(a) LLP	(b) Amalgamation
(c) Sole Trading Concern	(d) Absorption

Q.1 B) State whether the following statements are True or False (Attempt any Seven) (7)

1. NBFC cannot carry any purchase or sale of goods.
2. Rate of Interest on Fixed Deposits is lowest in banks.
3. General Insurance Business includes Fire and Life Insurance Business.
4. Premiums outstanding at the end of the year is shown under Advances and Other Assets under final accounts of insurance companies.
5. NBFC is registered with RBI.
6. Asset Finance Company is a type of NBFC.
7. Housing Finance Company are regulated by NHB.
8. Audit is not compulsory for all LLP's.
9. Intrinsic Method is based on the earning of the company.
10. Foreign Nationals can be a partner in LLP.

Q.2.A. From the following balances, prepare Balance Sheet of Urban Bank Ltd. as on 31st March, 2025. (15)

Particulars	Dr. ₹	Cr. ₹
Share Capital		20,00,000
Statutory Reserve Fund		32,00,000
Fixed Deposits		80,00,000
Savings Deposits		1,20,00,000
Current Accounts		4,40,00,000
Money at Call and Short Notice	4,00,000	
Bills Discounted and Purchased	18,00,000	
Investments at Cost:		
Central and State Government	2,00,00,000	
Government Securities	8,00,000	
Bullion	48,00,000	
Reserves for Building		20,00,000
Premises at Cost	2,00,00,000	
Addition to Premises	40,00,000	
Depreciation Fund on Premises		1,60,00,000
Cash with RBI	68,00,000	
Cash with SBI	24,00,000	
Unclaimed Dividend		3,00,000
Unexpired Discount		1,00,000
Loans and Advances	2,00,00,000	
Branch Adjustment	1,14,00,000	
Silver	4,00,000	
Advance Payment of Tax	2,00,000	
Interest Accrued on Investment	5,00,000	
Non-Banking Assets	1,00,000	
Borrowed from Banks		4,00,000
Bills Payables		40,00,000
Profit and Loss Account (Profit for the year)		8,00,000
Dividend Fluctuation Fund		8,00,000
	9,36,00,000	9,36,00,000

The bank had bills for collection for its constituents 16,00,000 and acceptances ₹ 10,00,000. There was a claim of 4,00,000 against the bank but not acknowledged as a debt. The liabilities for bills discounted was 64,000. Liabilities for forward exchange contract was 20,00,000. The Directors decided to transfer Rs.84,000 to statutory reserves and reserves 4,000 for unexpired discounts.

OR

Q.2.B : The following information, prepare Profit and Loss Account of KBC Bank Ltd. for the year ending 31st March, 2025: (15)

Particulars	₹	Particulars	₹
Interest on Loans	6,00,000	Interest on Savings Bank Deposits	1,74,000
Interest on Fixed Deposits	5,50,000	Postage, Telegram and Stamps	20,000
Commission	20,000	Printing and Stationery	40,000
Exchange and Brokerage	40,000	Sundry Expenses	20,000
Salaries and Allowances	3,00,000	Rent	30,000
Discount on Bills (Gross)	3,04,000	Taxes and Licenses	20,000
Interest on Cash Credits	4,80,000	Audit Fees	20,000
Interest on Temporary Overdrafts in Current Accounts	60,000		

Additional Information:

1. Rebate on bills discounted ₹ 60,000.
2. Salary of Managing Director 60,000,
3. Provision for Bad Debts 80,000.
4. Provision for Income Tax is to be made for ₹ 68,000 and
5. Interest of 8,000 on Doubtful Debts was wrongly credited to interest on loans account.

Q.3 A. From the following balances extracted from the books of MKG General Insurance Company Ltd. as on 31st March, 2024, prepare the Revenue Account for Fire and Marine Insurance Business for the year ended 31st March, 2024. (15)

Particulars	Fire (Rs)	Marine (Rs)
Re-insurance Premiums (Dr.)	15,000	10,000
Premium Received	6,00,000	3,00,000
Claims Paid	2,00,000	50,000
Expenses of Management	75,000	20,000
Travelling Expenses	25,000	5,000
Outstanding Claims as on 1 st April, 2023	18,000	5,000
Reserve for Unexpired Risk as on 1 st April, 2023	1,50,000	1,20,000
Outstanding Claims as on 1 st April, 2024	15,000	20,000
Commission (Direct)	75,000	20,000

The following additional information is also available:

1. Expenses of Management due on 31st March, 2023, were Rs 15,000 for Fire Insurance and Rs 5,000 for Marine Insurance.
2. Reserve for Unexpired Risk
 - a) 50% Fire
 - b) 100% Marine
3. Premium outstanding as on 31st March, 2024, was for Fire Insurance Rs 20,000 and for Marine Insurance Rs 30,000.

OR

Q.3 B. From the following Trial Balance of *Manu and Sonu LLP*, prepare:

1. Profit & Loss Account for the year ended 31st March, 2024
2. Balance Sheet as on 31st March, 2024

after considering the given additional information.

Additional Information:-

1. Outstanding Salary and Wages Rs 900
2. Closing Stock Cost Rs 45,000, Market Value Rs 60,000
3. Partners share profits and losses equally.
4. Provide Depreciation on Machinery @ 5%.

Trial Balance of Manu and Sonu LLP

Particulars	Dr. (Rs)	Cr. (Rs)
Capital Account:		
Manu	-	2,00,000
Sonu	-	2,00,000
Drawings:		
Manu	50,000	-
Sonu	45,000	-
Opening Stock	50,000	-
Salaries and Wages	5,500	-
Purchase	28,000	-
Sales	-	41,000
Bills Receivable	7,000	-
Bills Payable	-	5,000
Rent	800	-
Sundry Debtors	1,200	-
Sundry Creditors	-	1,500
Machinery	80,000	-
General Expenses	500	-
Building	75,000	-
Office Expenses	250	-
Dividend Received	-	8,000
Reserve Fund	-	75,750
Cash at Bank	9,500	-
Investment	1,50,000	-
Insurance	700	-
Advances	21,050	-
Cash in Hand	6,750	-
Total	5,31,250	5,31,250

Q.4.A. The Balance sheet of Munna Ltd. as on 31.12.2025 was under

Particular	Amount	Particular	Amount
8% Preference shares of ₹100 each fully paid	1,00,000	Building	3,08,000
Equity shares of ₹100 each fully paid	6,00,000	Machinery	1,33,000
General Reserve	1,00,000	Stock	4,90,000
Profit and loss account	44,200	Debtors	2,17,000
Bank Overdraft	28,000		
Creditors	1,07,800		
Provision for Income Tax	63,000		

Expenses Payable	1,05,000	
	11,48,000	11,48,000

The profit of a company after charging all expenses, depreciation, but before taxation were as under

Year	Profit
2021	₹ 2,38,000
2022	₹ 2,68,800
2023	₹ 2,52,000
2024	₹ 2,80,000
2025	₹ 2,66,000

Additional Information

- 1) On December 31, 2025, the following values were recorded:
Building: ₹ 3,50,000
Machinery: ₹ 2,10,000
- 2) Income-Tax to be taken at 50%
- 3) Reasonable Return on Capital Employed is 10%

Find the value of an equity share using the Net Asset Method, after:

- a) Taking into account the revised values of Fixed assets.
- b) Valuing Goodwill on the basis of Five years' purchase of annual super profits.

Note: For Goodwill valuation closing capital employed considered.

OR

(15)

Q.4.B. The Balance sheet of Bunty Ltd. as on 31.3.2025 was under

Particular	Amount	Particular	Amount
10,000 Equity shares of ₹10 each fully paid up	1,00,000	Fixed Assets	2,20,000
10,000 Equity shares of ₹100 each ₹8 per shares paid up	80,000	Current Assets	1,10,000
10,000 Equity shares of ₹100 each ₹5 per shares paid up	50,000	Preliminary Expenses	10,000
General Reserve	50,000		
Profit and loss account	50,000		
Creditors	10,000		
	3,40,000		3,40,000

The normal average profit of the company (after tax) will be maintained at ₹46,000 and normal rate of return is 8%.

Calculate the value of each type of equity shares by Net Assets Method (excluding goodwill) and Yield Basis Method (Earning Capacity Method).

Q.5 A (i) Distinguish between NBFC and Bank ?

(8)

(ii) Explain the factors affecting the value of Goodwill

(7)

OR

Q.5 B. Write Short Notes (Attempt any Three)

(15)

- a) Write a note on Designated Partner.
- b) Types of General Insurance
- c) Functions of Bank
- d) Short Note on Net Owned Fund in NBFC
- e) Short Note on Capital Employed