

Duration: 2.5 hrs.

75 Marks

- 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) Unclaimed Dividend is shown by a bank under _____.
 (a) Advances (b) Contingent Liabilities
 (c) Other Liabilities (d) Deposits
- 2) Cash Credit and Overdraft is shown by a bank under _____.
 (a) Other Assets (b) Borrowings
 (c) Other Liabilities (d) Advances
- 3) In the financial statements of an insurance company, underwriting commitments outstanding are shown under _____.
 (a) Contingent Liabilities (b) Current Assets
 (c) Other Assets (d) Current Liabilities
- 4) Agents Balances is shown in the balance sheet of an Insurance Company under _____.
 (a) Current Assets (b) Advances
 (c) Current Liabilities (d) Other Assets
- 5) Venture Capital Fund Companies are regulated by _____.
 (a) SEBI (b) IRDA
 (c) CPC (d) LLP ACT, 2008
- 6) NBFC's are required to accept public deposit for a maximum period of _____ months.
 (a) 36 months (b) 48 months
 (c) 120 months (d) 60 months
- 7) Goodwill is a non physical asset _____ from business.
 (a) Separable (b) inseparable
 (c) unique (d) tangible
- 8) Goodwill is valued at Four years purchase of super profit, The value of Goodwill is Rs 6,40,000, the super profit is _____
 (a) Rs. 1,60,000 (b) Rs. 6,40,000
 (c) Rs. 6,39,996 (d) Rs. 25,60,000
- 9) Compulsory audit of LLP is done if its contribution exceeds _____ Lacs.
 (a) 10 (b) 15
 (c) 20 (d) 25
- 10) _____ days notice to LLP is required for resignation by a partner.
 (a) 20 (b) 30
 (c) 45 (d) 60

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

1. The Last item under 'Assets' in the Balance Sheet of a Bank is Fixed Assets.
2. Endorsements are shown by a bank under Other Liabilities and Provisions.
3. General Insurance Business includes Marine Insurance Business only.
4. In case of marine insurance business, provisions has to be created at 100 %.
5. Chit Fund Companies are regulated under the Chit Fund Act, 1982.
6. NBFC must have a net own fund of Rs. 45 Lacs.
7. Housing Finance Company are regulated by SEBI.
8. Annual Return to be filed by LLP with Registrar within 60 days from the end of financial year.
9. Yield Method for valuation of shares is based on the earning of the company.
10. Insolvency of a partner of LLP automatically results in the dissolution.

Q.2.A. The following figures have been obtained from the books of the PNG Bank Ltd. For the year ending 31st March, 2025.**(15)**

Particulars	₹
Rent Received	1,24,000
Depreciation	62,000
Auditor Fees	16,000
Interest Earned	50,00,000
Loss on Sale of Assets	76,000
Postage and Telegrams	1,22,000
Printing and Stationery	2,20,000
Rent and Taxes	1,40,000
Director Fees	70,000
Salaries and Wages	4,20,000
Profit on Sale of Investments	1,80,000
Interest Paid	40,00,000
Commission and Exchange	3,90,000
Discount Earned	26,00,000

Additional information:

1. The Profit and Loss Account had a balance of ₹ 15,00,000 on 1st April, 2024.
2. An advance of ₹ 7,60,000 has become doubtful and its expected that only 50% of the amount due can be recovered from the security
3. A dividend of 2,00,000 is proposed by the board of directors.

4. The provision for tax be made at 35%.

Prepare Profit and Loss Account of the PNG Bank Ltd. for the year ending 31st March, 2025.

OR

Q.2.B. The following is the Trial balance of NDA Bank Ltd. Prepare Balance Sheet as on 31st March, 2025. (15)

Particulars	Dr. ₹	Particulars	Cr. ₹
Cash in Hand	1,20,000	Share Capital of 100 each	
Cash with RBI	2,00,000	₹ 50 called	500,000
Cash with Other Banks	3,00,000	Reserve Fund	13,00,000
Money at Call	50,000	Dividend Equalisation Reserve	2,00,000
Investment in Government Securities	1,50,000	Profit and Loss on 31.03.2025	5,00,000
Shares and Debentures	50,000	Current Accounts	5,80,000
Gold	13,50,000	Saving Bank Deposits	8,00,000
Loans	18,90,000	Fixed Deposits	8,00,000
Bills Discounted	3,00,000	Recurring Deposits	2,00,000
Fixed Assets (at cost)	20,00,000	Borrowings	6,00,000
Fixed Assets acquired in satisfaction of claim	60,000	Branch Adjustments	20,000
Advance Tax	20,000	Unclaimed Dividend	10,000
Tax Deducted at Source	10,000	Unpaid Dividend	30,000
Accrued Interest	70,000	Proposed Dividend	50,000
		Provision for Tax	30,000
		Unexpired Discount	50,000
		Bills Payable	40,000
		Accrued Interest	40,000
		Provision for Depreciation	8,00,000
		Reserve for Doubtful Debts	20,000
	65,70,000		65,70,000

Other Information:

1. Bills for collection ₹ 12, 00,000.
2. A claim by employees for bonus amounting to ₹ 1,50,000 is pending award of arbitration.
3. Liability for partly paid investment ₹2,00,000.
4. Guarantees given on behalf of constituents ₹ 2,50,000.

Q.3 A. Prepare the Revenue Account for the Fire Insurance Business of Indigo General Insurance Company for the year ended 31st March 2025, using the following information. (15)

Particulars	(Rs)
Commission on Re-insurance accepted	8,000
Commission on Re-insurance Ceded	16,000
Interest and Dividend	16,000

Provision for Unexpired Risk on 1 st April, 2024	8,00,000
Claim paid (Direct)	9,60,000
Re-insurance recoveries of the claim	16,000
Expenses related to the Claim	18,000
Additional Reserve on 1 st April, 2024	41,200
Estimated liability in respect of outstanding claims on 1 st April, 2024	80,000
Estimated liability in respect of outstanding claims on 31 st March, 2025	1,40,000
Premium Recovered	24,00,000
Re-insurance Premium Paid	2,40,000
Profit on Sale of Investment	7,000
Expenses on Management	6,04,000
Commission on Direct Business	4,00,000
Bad Debts	5,000
Depreciation on Vehicle	9,200

You are required to create an Additional Reserve for Unexpired Risk equal to 1% of the Net Premium, over and above the opening balance of the existing Additional Reserve.

OR

Q.3 B. From the following Trial Balance of Mani and Soni LLP, prepare

(15)

1. Profit & Loss Account for the year ended 31st March, 2025
2. Balance Sheet as on 31st March, 2025

Trial Balance of Mani and Soni LLP (Rs in '000)

Particulars	Dr. (Rs)	Cr. (Rs)
Interest on Investment	-	500
Goodwill	1,500	-
Salaries and Wages	700	-
Cash in Hand	200	-
Purchase and Sales	1,200	4,500
Office Expenses	800	-
Bills Receivables	1,400	-
Legal Expenses	400	-
Commission	100	200
Investment	5,500	-
Debtors and Creditors	1,750	2,105
Bank Overdraft	-	750
Patents	450	-
Loose Tools	890	-
Furniture	2,500	-
Land and Building	1,500	-
Capital Account	-	3,500
Mani	-	3,500
Soni	750	-
Work's Manager Salary	-	1,085
Bills Payable	-	3,500
Reserve Fund	19,640	19,640
Total		

Additional Information:-

1. Outstanding Salaries and Wages Rs 100.
2. The Closing Stock -Cost Rs 1,500 and Market Value Rs 1,750
3. Depreciation on Land and Building @ 5%.
4. Partners share Profits and Losses in their capital ratio.

Q.4.A. The Balance Sheet of Dilip Ltd. as on 31st March, 2025 was as follows:**(15)**

Liabilities	₹ (in lacs)	Assets	₹ (in lacs)
Equity Share Capital (₹ 10 each)	1,000	Building	440
Profit & Loss A/c	356	Machinery	190
Bank Overdraft	40	Stock	700
Creditors	154	Debtors	310
Provision for Tax	90		
	1,640		1,640

The net profit of the company after deducting all working charges and providing depreciation and taxation were as under:

Year ending	₹ (in lacs)
31-03-2021	170
31-03-2022	192
31-03-2023	180
31-03-2024	200
31-03-2025	190

On 31st March, 2025 Building was valued at ₹ 500 lacs and Machinery at ₹ 300 lacs. The Other assets and liabilities have been correctly valued. In view of the nature of business, it is assumed that 10% is a reasonable return on tangible capital. Consider closing capital as average capital employed and simple average for computing average profit.

You are required to determine:

- a) Value of Goodwill on the basis of 5 year's purchase of super profits.
- b) Intrinsic value of Equity Share.

OR**Q.4.B. The following particulars of Rashid Ltd. as on 31st March, 2025 are available:****(15)**

1.	1,00,000 Equity shares of Rs.100 each fully paid	₹1,00,00,000
2.	10,000 12% preference shares of Rs.100 each fully paid	₹10,00,000
3.	Securities Premium	₹11,50,000
4.	Profit and Loss Account	₹33,58,000
5.	General Reserve	₹18,85,000
6.	Current Liabilities:	
	Creditors	₹31,20,000
	Bills Payable	₹10,60,000
7.	Average Profit after Tax (For Last Three Years)	₹41,80,000
8.	Profit after Tax is transferred to General Reserve every year is	₹5,85,000
9.	Fictitious Assets	20%
10.	Normal Rate of Return is	₹80,000
		10%

Considering the above information, compute the value of Equity share by:

- a) Intrinsic Method
- b) Yield Method

- Q.5 A** (i) Describe the role of NBFC in Indian Financial Sector?
(ii) Explain the need for valuation of Goodwill?

(8)

(7)

OR

(15)

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

- a) Short Note on Contribution
- b) Short Note on Fire Insurance
- c) Short Note on Acceptances and Endorsements
- d) Short Note on Net Owned Fund in NBFC
- e) Features of Goodwill
