

Marks-75

Duration: 2.5 hours

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

Q.1 A) State The whether the following statement are True or False (Any Eight) (08)

1. Unclaimed Dividend is shown by a bank under contingent liability.
2. Surplus on revaluation should be treated as other Income
3. Share Issue expenses are fixed assets
4. Both tangible and non-tangible assets are non-current.
5. Sale of Building is cash flow from financing activities
6. Increase on share capital is cash outflow
7. The behavior of person depends on the ethical guidelines that he follows.
8. It is important to apply accounting standard in proper manner.
9. Corporate will be happy to change from Indian GAAP to IFRS
10. Premium shall be recognized as income only when received.

Q.1 B) Match the Columns (Any SEVEN) (07)

SR NO.	A	SR NO.	B
1.	Cash and Balance with RBI	A.	Interim dividend
2.	Dividend paid in between two AGM	B.	Profit and loss account of General insurance company
3.	FORM B-PL	C.	Disclosure of Accounting Policies
4.	Fire Insurance	D.	No dividend
5.	AS-1	E.	Shown as contingent liabilities
6.	Calls in Advance	F.	Deducted from book profit
7.	Disputed tax demand	G.	Schedule 6
8.	Increase in stock	H.	Reflects in law
9.	Ethical norms in the society	I.	Change towards sustainability
10.	Basic purpose of CSR	J.	Reserve 50%

Q. 2.A. The following is the trial balance of Alankar Bank Ltd. As on 31.3.2023

Particulars	Debit (Rs.)	Credit (Rs.)
Share Capital 30,000 shares of Rs. 10 each	-	3,00,000
Statutory Reserve	-	4,00,000
Fixed Deposits	-	2,78,000
Saving Deposits	-	4,50,000
Current Deposits	-	3,74,000
Cash in hand	2,90,000	-
Cash with RBI	4,20,000	-
Commission and brokerage	-	50,000
Interest and Discount	-	3,00,000
Interest on Fixed Deposits	30,000	-
Interest on Saving Deposits	20,000	-
Interest on Current deposits	12,500	-
Salaries (including Rs.12,000 to manager)	1,31,000	-
Rent, insurance and tax	4,000	-
Postage and telegram	900	-

Printing and Stationary	7,000	-
Audit fees	4,000	-
Depreciation	3,300	-
Investments 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	-
Branch Adjustment account	-	24,700
TOTAL	21,76,700	21,76,700

Additional information: -

1. Rebate on bill discounted Rs. 27,000
2. Create Reserve for bad and doubtful debts Rs.11,000
3. Acceptance On behalf of customers Rs.80,000

You are required to prepare Profit and Loss Account for the year ended 31.3.2023 and balance sheet as on that date. (15)

OR

Q.2 B From the following information find out the amount of provisions to be shown in the profit and loss account of Laxmi Commercial Bank **(07)**

Assets	Rs. (in lakhs)
Standard	32,000
Sub standard	16,000
Doubtful up to 1 year	7,200
Doubtful up to 3 years	3,200
Doubtful more than 3 years	2,400
Loss assets	2,400

Q.2 C From the following information prepare the profit and loss account of Tridev bank Ltd. For the year ended 31st March 2023. **(08)**

Particulars	Amount (Rs.)
Interest on Loan	25,90,000
Interest on Fixed Deposits	27,50,000
Rebate on Bill Discounted	4,90,000
Commission	82,000
Establishment Charges	5,40,000
Discount on Bill Discounted (net)	14,60,000
Interest on Cash Credit	22,30,000
Interest on Current Account	4,20,000
Rent and Rates	1,80,000
Interest on Overdraft	15,40,000
Director's Fees	30,000
Auditor's Fees	12,000
Interest on Saving Bank Deposits	6,80,000
Postage and Telegram	14,000
Printing and Stationary	29,000
Sundry Charges	17,000

Bad debts to be written off amounted to Rs. 4,00,000.

Provision for Taxation may be at 55% of net profit

Transfer to Statutory reserve @ 25%

Q.3 A) From the following figures relating to Kartik Insurance Company, Prepare Revenue Account for Fire Department, for the year ended 31st March, 2023. (15)

Particulars	Direct Business Rs	Re insurance Rs
Premium:		
Received	3,60,000	38,000
Receivable - 01.04.2022	10,000	1,600
Receivable - 31.03.2023	16,000	1,800
Paid	-	24,000
Payable - 01.04.2022	-	1,000
payable - 31.03.2023	-	2,200
Claims		
Paid	1,54,000	14,000
Payable - 01.04.2022	78,000	1,500
payable - 31.03.2023	16,000	4,200
Received		17,000
Receivable - 01.04.2022		1,400
Receivable - 31.03.2023		1,900
Commission:		
On Insurance accepted	96,000	5,600
On Re – insurance ceded	-	8,000
Details of other Expenses and income		
Establishment Expenses		30,000
Rent, Rate and Taxes		14,000
Printing and Stationary		1,800
Income from dividend		18,000
Legal expenses (Inclusive of rs.1,200 in connection with settlement of claims)		2,000
Bad debts		1,300

Balance of funds as on 1st April,2022 was Rs.7,50,000 Including Additional reserve of Rs.33,000. Additional reserve is to be created @ 5% of the net premium of the year.

OR

Q.3.B) Prepare the fire Insurance Revenue Account of Rishika Fire Insurance Ltd. As per IRDA regulation for the year ended 31st march, 2023 from the following details: (15)

Particulars	Amount (Rs)
Claims Paid	5,00,000
Legal Expenses regarding claim	10,000
Premium received	12,50,000
Re-Insurance Premium Paid	50,000
Commission	3,00,000
Expenses of management	2,00,000
Provision against unexpired risk as on 1 st April, 2022	5,75,000
Claim unpaid on 1 st April,2022	50,000
Claim unpaid on 31 st march,2023	80,000

Q4) A) Following is extracted Balances of Sanjeevni Ltd as on 31st March 2023

Particulars	Rs
Sales	1,00,00,000
Opening Stock of Raw Material	5,00,000
Opening Stock of Finished Stock	3,50,000
Purchases of Raw Material	10,50,000
Purchase Returns	45,000
Sales Return	1,00,000
Dividend Received from Reliance Ltd	50,000
Royalty Received	1,05,000
Interest Received	5,00,000
Freight on Raw Material	22,500
Salaries & Wages	1,45,000
Provident Fund for Employees	35,000
Bonus to Employees	45,000
Directors Remuneration	1,50,000
Depreciation on:	
Plant & Machinery	1,50,000
Furniture	1,00,000
Delivery Van	50,000
Interest on Debentures	3,00,000
Interest on Bank loan	50,000
Bad Debts	60,000
Repairs & Maintenance	10,000
Insurance Premium	43,000
Electricity Charges	67,000
Rent, Rates and Taxes	21,000
Audit Fees	34,000
Advertisement Expenses	70,000
Other Expenses	3,000

Additional Information:

- 1) Closing Stock of Raw Material and Finished Goods was Rs 7,00,000 and 8,50,000
- 2) Outstanding Salaries & Wages were Rs 25,000
- 3) Rs 15,000 to be provided for Bad & Doubtful debts
- 4) Prepaid Advertisement Expenses Rs 4,500
- 5) Make provision for tax @ 30% of Profit Before Tax

Prepare Statement of Profit & Loss Account for the year ended 31st March 2023 as per the provision of the Companies Act. (15)

OR

Q4) B) Following are the summarized balance sheet of Delta Ltd. As On 31st March 2022 and 31st March 2023.

Liabilities	2023 (Rs.)	2022 (Rs.)	Assets	2023 (Rs.)	2022 (Rs.)
Share capital	5,00,000	5,00,000	Premises	4,75,000	5,00,000
General reserve	1,50,000	1,25,000	Machinery	4,22,500	3,75,000
Profit & loss A/c	76,500	76,250	Equipment	40,500	45,000
Term Loan from ICICI	1,55,000	1,75,000	Stock	74,000	1,00,000
Sundry Creditors	2,31,250	2,75,000	Sundry Debtors	1,60,000	2,00,000
Provision for taxation	76,250	84,250	Cash	7,000	3,000
			Bank	10,000	-
			Goodwill	-	12,500
	11,89,000	12,35,500		11,89,000	12,35,500

Additional Information:

- 1) Depreciation on Premises was Rs 25,000, Machinery Rs 50,000.
- 2) Income Tax Paid during the year was Rs 83,500.

Prepare Cash Flow Statement as per AS-3 (15)

Q5 A) Cash flow from Investing Activities (08)

Q5 B) Explain the role of whistle blower (07)

OR

Q5 C) Write Short Notes (Any 3 out of 5) (15)

- a) Reserve for Unexpired Risk
- b) Non-Performing Asset
- c) Company Code of Ethics
- d) Needs of IFRS
- e) IFRS-2 Share Based Payment
