

Time: 2:30 hours

Marks: 75

- N.B.
1. Q. 1 is compulsory.
 2. Q.2 to Q.5 are compulsory with internal choice.
 3. Figures to the right indicate full marks.
 4. Workings should form a part of your answer.
 5. Use of simple calculator is allowed.

Q.1 a. State Whether True or False. (any 8)

(08)

1. Balances with RBI are shown in the final accounts of Bank in Schedule 4.
2. Surplus on revaluation in banking Company should be treated as other Income.
3. A loss asset would be one, which has remained NPA for a period less than or equal to 12 Months.
4. Claim outstanding is shown under balance sheet of an insurance company under current assets.
5. Premium received in advance is shown under balance sheet of an insurance company under current liabilities.
6. CARO is not applicable to Banking Company
7. Goodwill is not depreciated.
8. Short term loan is a loan due for more than 5 years.
9. Cash deposited into bank increase cash inflow.
10. Whistle blower can be an employee.

Q.1 b. Match the column. (Any 7)

(07)

Column A	Column B
1. Ethics	(a) First time adoption
2. Ind AS 101	(b) Operating activities
3. Ind AS 102	(c) Financing activities
4. Decrease in stock	(d) Investing activities
5. Buy back of share	(e) Opened by Businessmen
6. Purchase of Fixed Assets	(f) Greek word
7. Previous year account	(g) Share Based Payment
8. Live stock	(h) General Insurance
9. Fire Insurance	(i) Not for the first year.
10. Current account	(j) Fixed Assets

Q.2 a. From the following information, find out the amount of provision required to be made in the profit and loss account for the ABC Bank year ended 31-3-18. (07)

Advances	Rs. Thousand
Standard Asset	1600
Sub- standard Asset	700
Doubtful Assets for:	
For one year	112
For two and Three years	56
For More than 3 years	38
Loss Asset	18

Q.2 b. Bill discounted (Rs) 1,85,06,000 (08)

Rebate on bill discounted (Rs) (01.04.2016) 3,21,600

Discount Received (Rs) 11,56,300

From the Following data calculate rebate on Bills Discount as on 31.3.2017 and give necessary journal entries.

Amount Rs	Period (inclusive of 3 days of grace)	Rate of Discount
19,65,000	01.06.2017	10%
26,10,000	15.06.2017	12%
27,60,000	28.06.2017	11%
33,90,000	08.07.2017	10%

OR

Q.2 From the following balances, prepare Profit and Loss Account of Shyam Bank Ltd. for the year ended 31st March, 2018. (15)

Particulars	Amount	Particulars	Amount
Interest on Loans	12,95,000	Rent and Taxes	90,000
Interest on Fixed Deposits	13,75,000	Interest on Overdraft	7,70,000
Rebate on Bills Discounted	2,45,000	Directors Fees	15,000
Commission	41,000	Auditors Fees	6,000
Establishment charges	2,70,000	Interest on Saving Bank Accounts	3,40,000

Discount on Bill Discounted (net)	7,30,000	Postage and Telegrams	7,000
Interest on Cash Credit	11,15,000	Printing and Stationery	14,500
Interest on Current account	2,10,000	Sundry Charges	8,500

Bad debts to be written off amounted to Rs. 2,00,000. Provision for taxation may be made at 50% of net profits. Transfer to statutory reserve to be @25%.

Q.3 Krishna General Insurance Company submits the following information for the year ended 31st March, 2018. **(15)**

Particulars	Direct Business	Re insurance
Premium Received	32,87,500	4,75,000
Premium Paid	-	2,37,500
Claims paid during the year	21,25,000	2,50,000
Claims Payable - opening	3,12,500	43,500
Closing	3,59,000	30,000
Claims Received	-	1,62,500
Claims Receivable - opening	-	32,500
Closing	-	55,000
Expenses of Management	1,15,000	-
Commission	-	-
On insurance Accepted	75,000	5,500
On insurance Ceded	-	7,000

The Following additional information is also available:

- Expenses of Management include Rs. 17,500 Surveyor's fees and Rs. 22,500 legal expenses for settlement of claims.
- Reserve for unexpired risk is to be maintained @ 40%. The balance of reserve for unexpired risk as on 01.4.17 was Rs.12,25,000

You are required to prepare the Revenue Account for the year ended 31st March, 2018.

OR

Q.3 From the following information as on 31st March 2018, prepare the Revenue Account of the Shiv Insurance Co. Ltd in respect of fire and marine insurance business. (15)

Particulars	Fire (Rs.)	Marine (Rs)
Outstanding Claims (opening Balance)	84,000	21,000
Claim Paid	3,00,000	2,40,000
Reserve for Unexpired Risk (opening Balance)	6,00,000	4,20,000
Premium Received	13,50,000	9,90,000
Agent Commission	1,20,000	60,000
Expenses Management	1,80,000	1,35,000
Re insurance Premium (debit)	75,000	45,000

The following points are to be consider:

- Expenses of management due on 31st March , 2018 were Rs. 30,000 and Rs.15,000 for fire and Marine Insurance.
- Reserve for unexpired risk is to be maintained at 50% and 100% respectively for fire and Marine Insurance.
- Premium outstanding as on 31st March, 2018 were Rs. 90,000 and Rs. 60,000 respectively for fire and Marine Insurance.
- Claim outstanding as on 31st March, 2018 were Rs. 30,000 and Rs. 45,000 respectively for fire and Marine Insurance.

Q.4 Following are the balances sheet of M/s Kesav Ltd. as on 31.3.17 and 31.3.16 were. (15)

Liabilities	2017	2016	Assets	2017	2016
Equity Share capital	3,00,000	2,80,000	Land and Building	5,40,000	3,20,000
8% Preference Share Capital	2,00,000	1,70,000	Plant and Machinery	2,55,000	1,80,000
General Reserve	1,20,000	95,000	Furniture and Fixtures	1,08,000	36,000
Profit & Loss account	1,48,000	1,39,000	Motor Car	85,000	1,00,000
12% Debenture	3,50,000	3,00,000	Inventory	2,20,000	2,83,000

Creditors	1,43,000	1,20,000	Accounts Receivables	2,45,000	3,44,000
Expenses Payable	84,000	77,000	Cash and Bank	64,000	58,000
Provision for Tax	92,000	67,000			
Proposed Dividend	80,000	73,000			
Total	15,17,000	13,21,000	Total	15,17,000	13,21,000

Additional Information:

- Issue of shares, debentures and additions to assets were made on 1st April, 2017.
- Depreciation @ 10% p.a. was charged on land building and furniture.
- Plant & Machinery and motor vehicles, both were depreciated by 15% p.a.
- Income tax paid and proposed dividend during the year were Rs.69,000 and Rs.80,000 respectively.

Prepare Cash flow statement as per AS- 3 (Use Indirect Method).

OR

Q.4 The following is the Trial Balance of Neelam Ltd as on 31.03.2017. You are required to prepare Balance sheet as on 31.03.2017. (15)

Particulars	Debit	Credit
Cash in Hand	1,17,000	-
Cash at Bank	2,05,800	-
Share Capital	-	55,20,000
9% Debenture	-	18,00,000
Bank Over Draft	-	12,00,000
Investment (long Term)	60,000	-
Bills Receivable - Trade	8,40,000	-
Sundry Debtors	33,00,000	-
Sundry Creditors	-	14,40,000
Security Deposit (long term)	24,000	-
Profit and Loss account	-	17,40,000
Security Premium	-	5,40,000
Interest on Debenture accrued and due	-	40,500
Goodwill	3,90,000	-
Plant and Machinery (cost Rs. 30,00,000)	18,00,000	-

Land and Building (cost Rs. 15,00,000)	11,40,000	-
Furniture (cost Rs. 4,80,000)	2,70,000	-
Provision for Taxation	-	7,23,000
Advance Tax	6,00,000	-
Bills Payable	-	1,80,000
General Reserve	-	6,00,000
Stock in Trade	50,96,700	-
Capital Reserve	-	60,000
Total	1,38,43,500	1,38,43,500

Additional Information:

1. Sundry Debtors which are all unsecured and considered good, include Rs. 5,40,000 due for more than six month.
2. Investment represent 15,000 equity Share in ZEN Ltd of Rs. 10 each , Rs. 4 per share called and paid up.
3. Bills Receivable discounted with the bank, not matured till the Balance Sheet date, amounted to Rs. 45,000

Q.5 a. What are the benefits of Code of Ethics? (08)

b. What is Share Based Payment? What is the scope of Ind AS 102? (07)

OR

Q.5 Short note (any 3) (15)

1. Scope of Ind AS 101
2. SEBI And Whistle blowing
3. Cash and cash equivalent in cash flow
4. Money at call and short notice
5. Exceptional and Extra ordinary items.
