

Please check whether you have got the right question paper.

- N.B:
1. Attempt all questions.
 2. Figures to the right indicate full marks.
 3. Working note should be part of answer.
 4. Use of simple calculator is allowed.

Q 1) A) Select appropriate option and re-write the statement.

(08)

- 1) Schedule 8 in Bank Final Accounts includes
 - a) Advances
 - b) Investments
- 2) Interest on advances is shown by a bank in
 - a) Schedule of Interest Earned
 - b) Schedule of Interest Expended
- 3) _____ is Current Liabilities.
 - a) Outstanding Expenses
 - b) Debentures
- 4) Sale of Plant is _____
 - a) Cash Inflow from Investing Activity
 - b) Cash Outflow from Financing Activity
- 5) The Schedule VI is divided into _____ parts.
 - a) Three
 - b) Two
- 6) _____ is used to judge the solvency of a firm.
 - a) Liquid Ratio
 - b) Stock Turnover Ratio
- 7) Standard Liquid Ratio = _____
 - a) 1:1
 - b) 2:1
- 8) Stock Turnover Ratio = _____
 - a) COGS/Average Stock
 - b) Average Stock/Working Capital

Q 1) B) Match the Pairs

(07)

A	B
1) Current Ratio	1) Operating Activity
2) Purchase of Investment	2) Leverage Ratio
3) Loss on sale of asset	3) 2:1
4) Inventory Turnover Ratio	4) Financing Activity
5) Fixed Deposit	5) Efficiency Ratio
6) Issue of Equity Shares	6) Investing Activity
7) Debt-Equity Ratio	7) Unsecured Loan

Q 2) From the following details of State Bank of Travancore, you are required to prepare the Profit and Loss Account for the year ended 31st March, 2017 and the Balance Sheet as on that date. **(15)**

Particulars	Debit (Rs.)	Credit (Rs.)
Issued and Subscribed Capital:-(40,000shares of Rs. 100 each)		40,00,000
Money at call and short notice	20,00,000	
Reserve Fund		20,00,000
Cash in Hand	18,00,000	
Deposits		37,00,000
Cash at Bank	22,00,000	
Borrowings		10,50,000
Investments	13,00,000	
Secured loans	22,00,000	
Cash Credits	10,50,000	
Premises less depreciation	8,50,000	
Furniture less depreciation	1,50,000	
Rent	7,500	
Interest and Discounts		15,00,000
Commission and brokerage		1,95,000
Interest paid on deposits	4,50,000	
Salary and allowances paid	2,00,000	
Interest paid on borrowings	75,000	
Audit Fees	10,000	
Directors' fees	12,000	
Other Assets	1,00,000	
Depreciation on Bank's Property	19,500	
Printing & Stationery	12,000	
Advertisement	1,500	
Postage and telegrams	3,000	
Other expenses	4,500	
	1,24,45,000	1,24,45,000

Other Information

- a) Provide Rs.20,000 for doubtful debts.
- b) Rebate on bills discounted is Rs.25,000.
- c) Acceptances and endorsements on behalf of customers are Rs.4,00,000.
- d) Provide Rs.40,000 for taxes.
- e) Transfer 25% of profit to Statutory Reserve.

OR

Q 2) **Write short note on** **(15)**

- 1) Rebate on Bills Discounted
- 2) Contingent Liability
- 3) Non-Performing Assets

Q.P. Code :00975

Q 3) From the following balances as on 31-03-2016, prepare Revenue account for the Marine business of (15) Reliance Company Ltd.

Particulars	Direct Business	Re-Insurance
a) Received	4,60,000	72,000
b) Receivable :-		
on 01-04-2015	19,000	25,000
on 31-03-2016	26,000	25,500
c) Paid	-	46,000
d) Payable :-		
on 1-04-2015	-	28,000
on 31-03-2016	-	36,500
B) Claims		
a) Paid	2,35,000	30,000
b) Payable:-		
on 01-04-2015	12,500	3,000
on 31-03-2016	15,500	3,500
c) Received		13,000
d) Receivable:-		
on 01-04-2015	-	3,000
on 31-03-2016		1,500
C) Commission	22,000	
On reinsurance accepted	-	2,000
On reinsurance ceded	-	2,500
D) Other Expenses and Income		
a) Salaries		1,40,000
b) Rent and Rates		40,000
c) Postage		3,000
d) Stationary		30,000
e) Dividend and Interest Received		1,20,000
f) Legal Expenses		18,000
g) Balance of Fund on 01-04-2015		3,85,000

OR

Q 3) Explain the following concepts (15)

- a) Reserve for unexpired risk
- b) Surrender value
- c) Bonus to Policyholder

Q 4) Following figure are taken from the Trial balance of Manali Ltd., as on 31st March 2016 (15)

Particulars	Cost	Provision for Depreciation (1/4/2015)
Goodwill	4,60,000	-
Land and Building	8,00,000	60,000
Office equipment	60,000	14,000
Motor cars	1,40,000	50,400
Plant and Machinery	10,00,000	2,56,000

Provide depreciation on written down value of the Asset at the following data rate:

Land and Building	5%
Plant and Machinery	20%
Motor cars	20%
Office Equipment	10%

Prepare a Schedule for Fixed Asset as on 31st March , 2016 as per Revised Schedule VI

OR

Q.4. Explain the following provision of Revised Schedule VI of the Companies Act as regards to : (15)

- Share capital
- Fixed asset
- Contingent liability

Q 5. Following are the summarized balance sheet of Mohan Ltd. As on 31st March 2015 and 31st March 2016. (15)

Liabilities	2016 (Rs.)	2015 (Rs.)	Assets	2016 (Rs.)	2015 (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

Other information:

- Dividend (Interim) of Rs.25,000 was paid during the year.
 - Depreciation on Premises is provided at 5%
 - Machinery of Rs.75,000 was acquired during the year.
 - Income tax provision for the year was Rs.75,000
- Prepare Cash flow statement as per AS - 3

OR

Q 5) The following are the ratios extracted from the Balance sheet of the company as at 31st march, 2016. **(15)**
 Draw up a Balance sheet of the Company by finding out the missing figures.

Liabilities	Rs.	Assets	Rs.
Share capital	5,00,000	Fixed Assets	?
Reserves and Surplus	2,50,000	Current Assets:	
Long term debt	3,00,000	Stock	?
Current Liabilities	?	Debtors	?
		Cash/Bank	?
	?		?

Other Information:-

- | | |
|--|-------------|
| 1) Current Liabilities | 1.0 |
| 2) Current Assets | 2.5 |
| 3) Current Ratio | 2.5 |
| 4) Liquidity Ratio | 1.5 |
| 5) Stock Turnover Ratio (Cost of Goods sold/ Stock) | 6 times |
| 6) Fixed Assets Turnover (Sales / Fixed Assets.) | 2 |
| 7) Gross Profit as percentage of sales | 20% |
| 8) Debtors Collection Period | 2 months |
| 9) Working Capital | Rs.3,00,000 |