**Duration: 2.5 hours** 

Note: 1) All questions are compulsory.

Marks-75

	2) Working Notes should form 3) Figures to the right indicat		
	a) Select the most appropriate a ments. (Any 8)	alternatives from those given b	pelow and rewrite the (08)
1.	Provision for sub-standard asse	et in respect of of unsecured infr	astructure loan A/c?
	a) 15%	b) 20%	
	250/	1) 100/	
2.	c) 25% Schedule 9 in banking compan	d) 40%	Sec. Con
۷.	a) Interest Earned	b) Advances	
	c) Operating expenses	d) Deposits	
3.	Reserve of unexpired risk sho	ould be created at	of net premium in case
	of fire insurance policy	2, Vx (6), V	
	a) 100%	b) 50%	
5)	c) 75%	d) 25%	
4.	In Cash Flow Statement Sale	of machinery is a	
	b) Financing Activity	b) Operating Activity	
	c) Investing Activity	d) No Effect in Cash Flo	w S
5.	IFRS 2-		
	a) Insurance contract	b) Share based payment	
	c) Business Combination	d) Operating Segments	
6.	Convergence of Indian GAAP	with IFRS benefits which of the	e following?
	a) Investors only		ustry and company only
	b) Investors, Accounting Prof	essionals only d) Investors, Ac	_
		Professionals,	Industry and Company
7.	Purchase of Patents Rs. 1,00,00	00, redemption of preference sha	ares Rs. 1,00,000 and
	issue of equity shares Rs. 3,00,	000. What will be the cash flow	from Investing
(2)	Activities?		
D. C.	a) Rs. 4,00,000	b) Rs. 1,00,000	
	The By		
4	c) Rs. 5,00,000	d) Rs. 2,00,000	

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## Paper / Subject Code: 44303 / Financial Reporting & Analysis

0.	Re-insurance claim receivable in filsu	rance Company Pinai Accounts is snown
	Under?	
	a) Provisions	b) Other Assets
	c) Current Liabilities	d) Advances
9.	Form B - RA in Insurance Company i	s S
	a) Revenue A/c of Life Insurance	b) Revenue A/c of general Insurance
	c) Balance sheet of Life Insurance	d) Profit and loss account of General
	Insurance	
10.	. The purpose of code of ethics is	
	a) Loss of market capitalization	b) Loss of human capital
	c) Risk mitigation	d) Confidence
Q1 B)	State weather True or False (Any 7	(07)

- 1. The banking company has to obtain licence from IRDA.
- 2. Insurance is a financial service.
- 3. Single set of accounting standard all over the world is a benefit related to Convergence of Indian GAAP with IFRS.
- 4. Interim dividend for a company is declared by the government.
- 5. IAS stands for International Accounting Standards.
- 6. Professional ethics leads to Build a competitive edge
- 7. Whistle blowing leads to Prevents embarrassing public disclosures
- 8. Proceeds from sale of patents is Operating activities.
- 9. More than one policy is taken to cover the same risk it is called re-insurance
- 10. IASC stands for International Accounting Standards Committee.
- **Q2. A.**From the following information prepare profit and loss A/c of Tiny Bank ltd for the year ended 31st March 2022.

	45
Interest on Loan	25,90,000
	30
Discount on bill discounted (Net)	14,60,000
	) *
Rebate on Bill Discount	4,90,000
Stationery and Printing	29,000
Postage and Telegram	14,000
1 1 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	
Interest on Cash Credit	22,30,000

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	. 6)
Interest on Overdraft	15,40,000
	25
Commission	82,000
	5 25
Interest on Fixed Deposit	27,50,000
· 8, · • • • • • • • • • • • • • • • • • •	00
Interest on Saving Bank Deposit	6,80,000
VA. 124	20
Interest on Current Account	4,20,000
Establishment Charges	5,40,000
	\$
Director's Fees and Allowance	30,000
\$\frac{1}{2}\text{\$\lambda\$} \text{\$\lambda\$}\text{\$\lambda\$} \text{\$\lambda\$}	
Other Expenses	17,000
, S & S' S'	\$
Rent and Taxes	1,80,000
	8
Audit Fees	12,000

- 1. Bad debts to be written off amounted to Rs.4,00,000.
- 2. Provision for taxation at 55% of net profit.
- 3. Transfer to statutory reserve to be 25%

### OR

Q2. B. The Following Information is available in the books of MN Bank Limited as on 31<sup>st</sup> March 2021. Calculate the Rebate on Bill discounted as on 31<sup>st</sup> March 2021 and Give necessary Journal Entries. (08)

Bills Discounted Rs.1, 37, 05,000 Rebate on Bill Discounted Rs.2, 21,600 Discount Received Rs.10, 56,650

Details of biils discounted are as follows

Amount of bill	Due Date	Rate of Discount
18,25,000	05.6.2021	12%
50,00,000	12.6.2021	12%
28,20,000	25.6.2021	14%
40,60,000	06.7.2021	16%

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# Q2. C. From the Following Information Calculate of Provision on Non-Performing Assets (07)

Particulars	Rs.
Standard Assets	2500000
Sub Standard Assets	560000
Doubtful For 1 Year	25000
Doubtful For 2 Year	50000
Doubtful For 3 Year	100000
Doubtful For 4 Year	75000
Doubtful Unsecured	255000
Loss Assets	100000

Q3. A. From the following figures relating to Mukesh Insurance Company ltd. for the year ended 31<sup>st</sup> March 2022. You are required to prepare the revenue account for Marine Department. (15)

Particulars Particulars	Amount
Reserve for Unexpired risk at 31-03-2021	22,00,000
Claims paid	12,00,000
Outstanding claims:	(V)
As on 01-04-21	3,10,000
As on 31-03-22	8,50,000
Re-insurance premium:	89.
Paid S	60,000
Recovered	50,000
Premium received	25,00,000
Commission:	
Direct Business	40,000
Reinsurance Ceded	8,000
Reinsurance Accepted	4,000
Salaries	30,000
Rent and Rates	1,100
Legal expenses (Regarding claim)	9,000
Printing and stationary	21,000
Management expanses	90,000
Postage	1,000

The reserve required for unexpired risk as on 31-03-2022 is 100% of the net premium received.

OR

Q.3 B. Sunflower General Insurance Company submits the following information for the year ended 31<sup>st</sup> March 2021.

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Particulars	Direct Business	Reinsurance
Premium Received	66,75,000	9,50,000
Premium Paid		4,75,000
Claims paid during the year	42,50,000	5,00,000
Claim Payable		
As on 01-04-20	6,25,000	87,000
As on 31-03-21	7,18,000	60,000
Claim Received		3,25,000
Claim Receivable		23
As on 01-04-20		65,000
As on 31-03-21		1,10,000
Commission:		
On Insurance Accepted	1,50,000	11,000
On Insurance Ceded		14,000
Expenses of Management	2,30,000	3

- 1. Expenses of Management Include Rs.35, 000 surveyors fees and Rs.45,000 legal expenses for settlement of claims.
- 2. Reserve for unexpired risk is to maintained at 40%. The balance of reserve for unexpired risk as on 1/4/2020 was Rs.24, 50,000.

You are required to prepare the Revenue Account for the year ended 31st March 2021. (15)

Q4 A. The following Balances are extracted from the books of Sunil Ltd. as on 31st March, 2022: (15)

Or Very Very Color	(Rs in Lakhs)		
Particulars Particulars	Dr. (Rs.)	Cr. (Rs.)	
Sales		30,000	
Purchase of Materials	16,000		
Share Capital (Each share Rs.10)		1,000	
Plant and machinery	3,800		
Land and Building	8,000		
Creditors		4,000	
Debtors	5,000		
Director's Salaries	1,200		
Wages	1,900		
Work in Progress on 1-4-2021	3,000		
Equipment's	4,000		
Stock of Materials on 1-4-2021	1,000		
Profit and Loss Account balance on 1-4-2021		1,000	
Secured Loan		3,000	
Bank Overdraft		3,000	
Interest on Debentures	3,000		
Depreciation	1,500		
Salaries	1,000		
Other Expenses	1,500		

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Reserves		29	\ \Z	8,900
	.89		50,900	50,900

### **Adjustments:**

- (a) Income tax to be provided at 40% of the profits.
- (b) Stock of Materials and work in progress on 31st March 2022 were Rs. 1,500 lakhs and Rs. 1,700 lakhs respectively.

You are requested to prepare profit and loss statement of the company as per Revised Schedule VI.

OR

Q.4 B. The Balance Sheet of KGS Ltd are as follows.

(15)

Liabilities	2020	2021	Assets	2020	2021
Equity Share Capital	1,50,000	2,50,000	Goodwill	55,000	45,000
General Reserve	V X	30,000	Land & Building	80,000	90,000
Profit and Loss Account		29,000	Plant and Machinery	40,000	1,00,000
Debentures	1,00,000		Stock	42,000	53,000
Sundry Creditors	57,000	46,000	Debtors	90,000	98,000
Bills Payable	30,000	6,000	Bills Receivables	8,000	12,000
Provision for Tax		25,000	Prepaid Expenses	6,000	4,000
Proposed Divined		20,000	Cash in Hand	10,000	4,000
		3	Profit and Loss Account	6,000	, , , , , , , , , , , , , , , , , , ,
	3,37,000	4,06,000		3,37,000	4,06,000

#### **Additional Information:**

- 1. During the year 2021 depreciation of Rs.8,000 and Rs.10,000 have been charged on Land & Building and Plant and Machinery respectively.
- 2. An Interim Dividend of Rs. 7,500 was paid during the year 2021.
- 3. During the year 2021 Machinery having book value Rs.8000 was sold for Rs.7500.

Prepare Cash flow Statement for the year ended 31st December 2021.

Q.5 A. Explain Importance of Ethical behavior in Accounting Profession (08)

Q.5 B. Explain Cash flow from Financing, Investing and Operating activities with Examples (07)

OR

Q.5 Short Notes (Any 3 out of 5)

- 1. Non-Performing Assets
- 2. Reserve for unexpired risk
- 3. Employees Benefit Expenses and Finance Cost
- 4. Need of IFRS
- 5. Whistle blowing

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