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VI Semester B.Voc. Degree Examination, September - 2021**RETAIL MANAGEMENT****Advanced Accounts****(CBCS Freshers and Repeaters 2018-2019 and onwards)****Paper : 6.2****Time : 3 Hours****Maximum Marks : 70****Instructions to Candidates:**

Answers all sections. Answers Should be written in English only.

SECTION - AAnswer any **FIVE** of the of following sub-questions. Each carries **Two** marks. **(5×2=10)**

1. a. Give the meaning of General Insurance.
- b. What is NPA?
- c. What is Statutory Reserve?
- d. What do you mean by claims on reinsurance ceded?
- e. Mention two principal ledgers to be maintained by banking company.
- f. Mention different methods of Inflation Accounting.
- g. What is Pre - acquisition Profit?

SECTION - BAnswer any **THREE** of the following. Each question carries **Six** marks. **(3×6=18)**

2. While preparing final Accounts of Banking company, under which schedule the following appears?
 - a. General Reserve.
 - b. Director's fee.
 - c. Money at call and short notice.
 - d. Indian Government Securities.
 - e. Bills purchased and discounted.
 - f. Rent, Rates and taxes.
3. List out the differences between life insurance and General Insurance.
4. From the folloiwng balances, prepare Revenue Account of star Assurance Co. Ltd. for the year ended 31st March 2020.

Particulars	Amount (Rs.)
Claims by death paid	1,42,000
Claims by maturity paid	70,200
Premium	14,12,100

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(2)

25272

Consideration for annuities granted	1,64,000
Bouns paid in cash	4,800
Expenses of management	63,800
Commission	19,140
Interest, Dividend and Rent	1,95,700
Income tax deducted at source	12,700
Surrenders	26,300
Bonus in reduction of premium	1800
Dividends paid t shareholders	9,000
Life Assurance fund at the beginning of the year	30,45,000
O/S claims at the beginning of the years	22,000
O/S claims at the end of the year	16,000

5. Zenith Ltd provides the following details.

Particulars	Rs.	Index
Stock on 1.4.2019	500	100
Purchases during the year	3000	160 (Average)
Stock on 31.03.2020	800	200

Calculate cost of goods sold for CPP purpose under

- LIFO method.
- FIFO method

6. From the following particulars, prepare fire Revenue Account for the year ending 31st March 2020.

Particulars	Amount (Rs.)
Claims paid	2,35,000
Legal expenses regarding claim	5000
Premiums received	6,00,000
Re-insurance Premiums	60000
Commission	1,00,000
Expenses of management	1,50,000
Provision against unexpired risk	2,60,000
Claims unpaid at the beginning of the year	20,000
Claims unpaid at the end of the year	35,000

SECTION - C

Answer any **THREE** of the following. Each question carries **14** marks. (3×14=42)

7. From the following balances of Indian Bank, Prepare Revenue Account and Balance Sheet as at 31.03.2020

Particulars	Debit (Rs.)	Credit (Rs.)
Share capital		3,00,000
Bad debts written off	12,500	
Reserve fund	2,00,000	
General expenses	69,500	



(3)

25272

Current Accounts		20,00,000
Interest paid on Deposits	16,000	
Deposit Accounts		7,00,000
Profit and loss Account		25,000
Acceptances for customers	1,50,000	
Discount received		58,000
Endorsement and Guarantee	7,500	
Commission and Exchange		5,000
Cash in hand	25,000	
Interest received		25,000
Cash with RBI	2,00,000	
Endorsement and Guarantee		7,500
Owings by foriegn correspondents	20,000	
Customers liability for expenses		1,50,000
Borrowings from Banks		6,50,000
Loans and advances	15,50,000	
Investments	10,00,000	
Bills discounted	6,50,000	
Premises	2,20,000	
Statutory Reserve		2,00,000
	41,20,500	41,20,500

Additional Information :

1. Interim dividend paid during the year Rs. 20,000.
 2. Provide for rebate on bills discounted Rs. 6,000.
 3. Provide for income tax reserve Rs. 15,000.
8. Compute Net monetary result of P Ltd. as on 31.03.2018 from the following.

Particulars	1.4.2019 (Rs.)	31.03.2020 (Rs.)
Cash	25,000	30,000
Book debts	51,000	60,000
Creditors	55,000	65,000
Loan	40,000	45,000

Retail Price Index numbers :

1.4.2019 - 250

31.3.2020 - 350

Average for the year - 300

9. From the following balances of united insurance Co. Ltd. Prepare Fire revenue account, Marine revenue account and profit and loss Account.

Particulars	Fire (Rs.)	Marine (Rs.)
Bad debts	20,000	48,000
Reserve as on (1.4.2019)	10,00,000	32,80,000
Claims paid and outstanding	7,60,000	15,20,000

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(4)

25272

Commission paid	3,60,000	4,32,000
Additional Reserve (1.4.2019)	2,00,000	-
Premium less reinsurance	24,00,000	43,20,000
Management expenses	5,80,000	16,00,000
Commission earned on reinsurance ceded	1,20,000	2,40,000

Auditor's fees Rs.12,000

Director's fees Rs. 12,400

Share transfer fees Rs. 3,200

Bad debts recovered Rs. 4,800

Depreciation Rs. 1,40,000

Interest, Dividend received Rs. 56,000

Difference in exchange (Cr.) Rs. 1,200

Sundry receipts Rs. 20,000

Profit on sale of land Rs. 2,40,000

Additional information :

In addition to the usual reserve additional reserve in case of fire insurance is to be increased by 5% of net premium.

10. What is Inflation Accounting? What are its merits and demerits?
11. From the following Balance Sheets of Regals Ltd and Bugals Ltd, Prepare consolidated Balance Sheet as at 31.03.2020.

Particulars	Regals Ltd (Rs.)	Bugals Ltd (Rs.)
Liabilities :		
Share capital (Shares of Rs. 10 each)	2,00,000	1,00,000
General Reserve	20,000	8,000
Profit and loss A/c	40,000	10,000
Sundry Creditors	20,000	2,000
Total	2,80,000	1,20,000
Assets :		
Fixed Assets	1,30,000	1,20,000
Investments : (8,000 shares in Bugal Ltd)	1,50,000	NIL
Total	2,80,000	1,20,000

Regals Ltd. acquired the shares in Bugals Ltd. on 31.03.2020. There was no balance in P/L Account of Bugals Ltd as at 1.4.2019 but there was already a balance of Rs. 8000 in the General reserve account as at that date. Show the treatment of Pre acquisition profit and goodwill calculation as separate workings.