

# Bachelor of Commerce with Accountancy, Finance and Insurance (BAFI)

## Examination : April - 2026

| Day & Date           | Semester       | Subject Name         | Time                        | Code   | Max. Marks |
|----------------------|----------------|----------------------|-----------------------------|--------|------------|
| Friday<br>10.04.2026 | IV<br>Repeater | Corporate Accounting | 11.00 a.m. to<br>01.30 p.m. | 441219 | 75         |

1. Attempt any 3 questions from Q.1. to Q.5.

2. All questions carry 25 marks

**Q.1** Mitali Ltd. Was incorporated on 1<sup>st</sup> September 2024 to take over the business of Ram and Manmohan, a partnership firm with effect from 1<sup>st</sup> April 2024. Following is their Profit and Loss Account for the year ended 31st March 2025.

| Particulars              | Amount          | Particulars                  | Amount          |
|--------------------------|-----------------|------------------------------|-----------------|
| To Salaries              | 39,000          | By Gross Profit              | 1,80,000        |
| To Rent                  | 8,000           | By Interest on Fixed Deposit | 12,000          |
| To Bad Debts             | 11,000          |                              |                 |
| To Office Expenses       | 2,400           |                              |                 |
| To Directors Fees        | 1,000           |                              |                 |
| To Debenture Interest    | 2,800           |                              |                 |
| To Selling Expenses      | 24,300          |                              |                 |
| To Salary to Partners    | 5,000           |                              |                 |
| To Printing & Stationary | 6,000           |                              |                 |
| To preliminary Expenses  | 1,500           |                              |                 |
| To Net Profit            | 91,000          |                              |                 |
|                          | <b>1,92,000</b> |                              | <b>1,92,000</b> |

**Additional Information:**

- Average monthly turnover from October 2024 to March 2025 was twice the average monthly turnover from April, 2024 to September 2024.
- Rent is doubled from 1st December, 2024.
- Bad debts include 2,000 in respect of sales affected two years ago. Remaining Bad debts are out of sales affected throughout the year.
- Salaries include salary of three employees at equal monthly remuneration. However, one of them was appointed as manager from 1st January 2025. His salary was doubled from that date.
- In lieu of interest on purchase consideration the vendor would get 40% of the profit earned in Pre-incorporation period.

Prepare Statement of Profit and Loss of Mitali Ltd. for the year ended 31st March, 2025 in the columnar form apportioning all the income and expenditure items between Pre-incorporation and Post-incorporation period on suitable basis.

**Q.2 The following is the trail balance of PJ Bank Ltd. Prepare Balance sheet as on 31-03-2024.**

| Particulars                                       | Amount       | Particulars                                     | Amount       |
|---------------------------------------------------|--------------|-------------------------------------------------|--------------|
| Cash in hand                                      | 120          | Share Capital of Rs. 100 each,<br>Rs. 50 called | 500          |
| Cash with RBI                                     | 200          | Reserve Fund                                    | 1300         |
| Cash with other Bank                              | 300          | Dividend Equalization Reserve                   | 200          |
| Money at Call                                     | 50           | P&La/c31-03-2023                                | 500          |
| Investment in Govt. Securities                    | 150          | Current A/C                                     | 80           |
| Shares & Debentures                               | 50           | Savings Bank A/C                                | 300          |
| Gold                                              | 350          | Fixed Deposit                                   | 800          |
| Loan                                              | 1890         | Recurring Deposit                               | 200          |
| Bills Discounted                                  | 300          | Borrowings                                      | 600          |
| Fixed Assets (at cost)                            | 2000         | Branch Adjustment                               | 20           |
| Fixed Assets acquired in<br>satisfaction of claim | 60           | Unclaimed Dividend                              | 10           |
| Advance Tax                                       | 20           | Unpaid Dividend                                 | 30           |
| Tax Deducted at Source                            | 10           | Proposed Dividend                               | 50           |
| Accrued Interest                                  | 70           | Provision for Tax                               | 30           |
|                                                   |              | Unexpired Discount                              | 50           |
|                                                   |              | Bills Payable                                   | 40           |
|                                                   |              | Accrued Interest                                | 40           |
|                                                   |              | Provision for Depreciation                      | 800          |
|                                                   |              | Reserve for Doubtful Debts                      | 20           |
|                                                   | <b>5,570</b> |                                                 | <b>5,570</b> |

**Other Information:**

1. Bills for collection Rs. 2,00,000
2. A claim by employees for bonus amounting to Rs. 15,000 is pending award of arbitration.
3. Liability for partly paid investment Rs. 20,000
4. Guarantees given on behalf of constituents Rs. 25,000

**Q.3** The following is the balance sheet of M/s Radha Ltd with an authorized capital of Rs. 5,00,000 divided into 5,000 Equity Shares of Rs.100 each on 31-3-2023 on which 2,500 shares were fully called up.

| Debit Balance              | Rs.             | Credit Balance              | Rs.             |
|----------------------------|-----------------|-----------------------------|-----------------|
| Opening Stock              | 50,000          | Sales                       | 3,25,000        |
| Purchase                   | 2,00,000        | Discount Received           | 3,150           |
| Wages                      | 70,000          | Profit & Loss a/c           | 6,220           |
| Discount Allowed           | 4,200           | Creditors                   | 35,200          |
| Insurance (Upto 30-6-2022) | 6,720           | Reserves                    | 25,000          |
| Salaries                   | 18,500          | Unsecured Loans (Long Term) | 15,700          |
| Rent                       | 6,000           | Share Capital               | 2,50,000        |
| General Expenses           | 8,950           |                             |                 |
| Printing                   | 2,400           |                             |                 |
| Advertisement              | 3,800           |                             |                 |
| Bonus                      | 10,500          |                             |                 |
| Debtors                    | 38,700          |                             |                 |
| Plant                      | 1,80,500        |                             |                 |
| Furniture                  | 17,100          |                             |                 |
| Bank                       | 34,700          |                             |                 |
| Bad Debts                  | 3,200           |                             |                 |
| Calls in arrear            | 5,000           |                             |                 |
|                            | <b>6,60,270</b> |                             | <b>6,60,270</b> |

You are required to prepare Statement of Profit and Loss for the year ended 31-3-2023 and a Balance Sheet as on that date. The following further information is given

1. Closing stock was valued at 1,91,500.
2. Depreciation on plant at 15% and on furniture at 10% should be provided.
3. A tax provision of 8,000 is considered necessary.
4. The directors declared an interim dividend on 15-3-22 @ 6%, which is yet to be paid.

**Q.4 Following is the Trial Balance submitted by IDCI Bank Limited as on 31-3-2023.**

| Debit                                    | Rs.                | Credit                                             | Rs.                |
|------------------------------------------|--------------------|----------------------------------------------------|--------------------|
| Audit Fees                               | 30,000             | Share Capital (Equity Shares of Rs. 100 each)      | 37,50,000          |
| Bank Premises                            | 15,00,000          | Brokerage & Commission                             | 12,35,000          |
| Bills Discounted                         | 18,25,000          | Current Accounts                                   | 1,25,00,000        |
| Balances with Other Banks                | 80,00,000          | Contingency Accounts                               | 25,00,000          |
| Cash on Hand and with RBI                | 27,50,000          | Interest & Discount                                | 42,50,000          |
| Director's fees                          | 1,37,500           | Investment Fluctuation Reserve                     | 5,00,000           |
| General Expenses                         | 67,500             | Profit on Sale of Gold                             | 8,97,500           |
| Govt. Securities                         | 1,05,00,000        | Profit & Loss a/c (as on 1-04-2022)                | 6,25,000           |
| Income Tax Paid                          | 2,25,000           | Borrowings from other banks                        | 55,00,000          |
| Interim Dividend Paid                    | 1,87,500           | Savings Bank Deposit                               | 88,75,000          |
| Interest Paid on Deposits and Borrowings | 12,12,500          | Reserve Funds (invested in State Government Bonds) | 20,00,000          |
| State Government Bonds                   | 20,00,000          |                                                    |                    |
| Loss on Sale of Investment               | 3,15,000           |                                                    |                    |
| Money at Call and Short Notice           | 17,50,000          |                                                    |                    |
| PF Contribution                          | 2,30,000           |                                                    |                    |
| Salaries & Allowances                    | 18,37,500          |                                                    |                    |
| Investment in Companies                  | 4,25,000           |                                                    |                    |
| Printing & Stationery                    | 1,40,000           |                                                    |                    |
| Loans Cash Credit Overdrafts             | 95,00,000          |                                                    |                    |
|                                          | <b>4,26,32,500</b> |                                                    | <b>4,26,32,500</b> |

**Additional information is as below:**

- Interest accrued on investment 18,750.
- The bills discounted shall mature on 20th May (including 3 days of grace) and rate of discount is 10%. During the year premises worth 25,000 were purchased. Provide depreciation @ 5% p.a. on the opening balance.
- Provision for Taxation should be 40% of net profit.

4. Out of loans and advances 6,25,000 are secured while 2,50,000 are guaranteed by the Directors.

5. Bills for collection were 45,000.

Prepare Profit and Loss Account of Bank Limited for the year ending 31st March, 2023 and Balance

Sheet as on that date in the prescribed format.

**Q.5 Write Short Notes (Any Five)**

- 1) Provisions of Companies Act
- 2) Non Performing Assets
- 3) Revenue Statement
- 4) Profit Prior Incorporation
- 5) Provisions regarding Standard & Sub-Standard Assets
- 6) Human Resource Accounting
- 7) Computerized Accounting