(b) Explain the ecosystem and Key aspects of the Insolvency and Bankruptcy Code.

What is the internal reconstruction? Explain the need for and methods of internal reconstruction. (7)

[This question paper contains 8 printed pages.]

Your Roll No..............

Sr. No. of Question Paper : 741 **I**

Unique Paper Code : 6202463502

Name of the Paper : CORPORATE ACCOUNTING

Name of the Course : **B.VOC. (Banking, Financial Services and Insurance)**

Semester : V

Duration : 3 Hours Maximum Marks : 90

Instructions for Candidates

1. Write your Roll No. on the top immediately on receipt of this question paper.

2. The paper has total **8** questions.

3. Attempt any **six** questions.

4. Each question is of **15** marks.

1.

Particulars	Debit (Rs.)	Credit (Rs.)
Equity Share Capital (Rs.100 per share fully paid up)		12,00,000
12% Bank Loan		1,50,000
Surplus Account		3,70,000
Trade Creditors		2,00,000
Sales		58,40,000
Sales and Purchase Returns	14,000	20,000
Provision for bad debts		40,000
Building (at cost)	7,00,000	
Machinery (at cost)	15,00,000	
Stock	2,20,000	
Trade Receivables	4,50,000	
Bad debts	19,000	
Cash and Bank	79,000	
Interim Dividend Paid @5%	60,000	
Corporate Dividend Tax on interim dividend	12,000	

6. (a) What does the Inventory Turnover Ratio indicate, and why is it important for companies with significant inventory? (8)

(b) What is the purpose of accounting ratios, and why are they important in financial analysis? (7)

7. (a) What is the history of forensic accounting? Explain the techniques of forensic accounting. (8)

(b) What is the Insolvency and Bankruptcy Code? Explain the background and objectives of the Insolvency and Bankruptcy Code. (7)

8. (a) What is the forensic Accounting? Explain the types of fraud that are detected by forensic accounting. (8)

Additional information :

(a) The net profit after depreciation amounted to Rs. 2,50,000. The co. provided for Rs. 1,10,000 for the year 2023-2024.

(b) During the year 2023-2024, the co. purchased machines for Rs. 5,00,000. It sold a machine costing Rs. 1,00,000(accumulated depreciation Rs. 35,000) for rs. 75,000.

(c) Interest received on investments amounted to Rs. 15,000.

(d) The current assets and current liabilities (excluding bank balance) on 31st march,2024 were 11,30,000 and 8,00,000 respectively.

Calculate cash flow from operating activities and investing activities for the year 2023- 2024.

(15)

Purchases	40,00,000	
Salaries	7,49,000	
Manufacturing Expenses	2,30,000	
Auditor's Fees	50,000	
Provision for depreciation on building		90,000
Provision for depreciation on machinery		2,80,000
Bills Receivables	35,000	
Director's Sitting fees	60,000	
Preliminary Expenses	12,000	
Total	81,90,000	81,90,000

From the balances mentioned above and the following information, prepare the company's year-end Statement of Profit and Loss and Balance Sheet as per Schedule III of the Companies Act 2013.

(i) Stock on 31st March 2024 was valued at Rs. 1,50,000.

(ii) Provide 10% for depreciation on the cost of Building and 20% for depreciation on the cost of Machinery.

(iii) Maintain provision for bad debts at 2% on debtors.

(iv) Make a provision of 30% for income tax.

(v) Transfer Rs. 25,000 to general reserve.

(vi) Write off preliminary expenses.

(vii) The bank loan was raised on 1st October 2023.

(viii) The company is disputing a claim of Rs. 20,000 for workmen's compensation. (15)

2. Explain the Guidelines and Instructions for preparing a statement of Profit and Loss and balance sheet as per schedule III of the Companies Act 2013. (15)

3. Explain the following terms as used in banking companies :

(a) Money at call (5)

(b) Performing assets (5)

(c) Cash credit (5)

4. (a) Differentiate between balance sheet of Banking and Non-Banking companies. (8)

(b) What is asset structure of Banks? (7)

5. The following balances were extracted from the balance sheet of ABC Ltd. On 1 April, 2023 :

Particulars	Amount (Rs.)
Fixed Assets (at cost) Less: Accumulated depreciation	35,00,000 5,00,000
	30,00,000
Bank balance	1,00,000
Other current assets	7,00,000
Other current liabilities	6,00,000