

Roll No.																			
----------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--



**PRESIDENCY
UNIVERSITY
BENGALURU**

**School of Management
Mid-Term Examinations - Nov 2024**

Semester: V

Date: 06-11-2024

Course Code: BBA3008

Time: 9:30am - 11:30am

Course Name: Advanced Financial Accounting

Max Marks: 50

Program: BBA

Weightage: 25%

Instructions:

(i) Read all questions carefully and answer accordingly.

(ii) Do not write anything on the question paper other than roll number.

Part A

Answer ALL the Questions. Each question carries 2marks.

5Qx2M=10M

- | | | | | |
|----------|---|----------------|----------|------------|
| 1 | Explain types of banks. | 2 Marks | R | C01 |
| 2 | State the meaning of SLR. | 2 Marks | R | C01 |
| 3 | Outline the meaning of Reverse Repo Rate | 2 Marks | R | C01 |
| 4 | What do you mean by Revenue Expenses. | 2 Marks | U | C02 |
| 5 | Describe the meaning of Capital Expenditure | 2 Marks | U | C02 |

Part B

Answer ALL Questions. Each question carries 10 marks.

4QX10M=40M

- 6** State with reasons whether the following are capital or revenue expenditures: **10 Marks R C01**
- (i) A new machine is purchased for ₹ 40,000, ₹ 400 was spent on its carriage and ₹ 3,500 was paid as wages for its installation. (1 mark)
- (ii) A sum of ₹ 30,000 was spent on painting the new factory. (1 mark)
- (iii) ₹ 16,000 paid for the erection of a new machine. (1 mark)
- (iv) ₹ 12,000 was spent on repairs before using a second-hand generator purchased recently. (1 mark)
- (v) ₹ 12,500 was spent on the repair of machinery. (1 mark)
- (vi) ₹1, 20,000 was paid as brokerage on the issue of shares. (1 mark)
- (vii) Furniture of the book value of ₹ 20,000 was sold off at ₹ 7,500. (1 mark)
- (viii) New Building purchased for ₹ 6,00,000 (1 mark)
- (xi) Replacement of old machine by a new one. (1 mark)
- (x) Damages paid by a transport company to its passengers injured in an accident. (1 mark)

OR

- 7** Give the format of Profit & loss account as per Banking Regulation Act 1949. **10 Marks R C01**
- 8** Prepare the P&L account on 31st March 2023 from the following Balances of ICICI Bank and present all working notes. **10 Marks R C01**
- Int. on Loans 3,50,000 Int. on Fixed Deposits 46,000 Salaries 30,000
Postage 15,000 Printing & Stationary 6,000 Telephone and Internet 4,000
Rent for Bank 7,000 Interest on Bank Deposit 20,000 Commission Received 1,40,000
Legal Charges 15,000 Insurance 9,000 Interest on Cash Credit 3,40,000
Interest on Overdraft 2,20,000

OR

- 9** Prepare Balance sheet from the following for INDUSIND bank Limited. **10 Marks R CO1**
- Share Capital 20,000 Shares @ ₹ 100 each, Reserve Fund 5,00,000
 Local Bill Discount 6,00,000 Cash Credit 5,00,000 Overdraft 10,00,000
 Term Loan 4,00,000 Investment in shares 5,60,000
 Demand Deposit; From Banks 10,00,000, From Others 5,00,000
 Term Deposit; From Banks 3,20,000 From Others 2,80,000
 Borrowing in India 8,00,000, Bills Payable 1,00,000
 Unclaimed Dividend 2,50,000 Cash in Hand 3,60,000
 Cash With banks in India 7,40,000
 Stationery and Stamp 1,40,000 Building 15,00,000 Furniture 2,00,000
 Profit & Loss (Credit Balance) 2,50,000 (Includes Last Year Profit 2,00,000)
 Statutory Reserve is to be created 25% out of Current Year Profit which is 50,000

- 10** Mr. Ravi sold goods to Vikas on January 1st 2023 on credit for ₹ 60,000 and writes a bill on Mohan for three months which is accepted by Vikas. Due to need of funds he presented the bill on the same day i.e., January 1, 2023 and Bank discounted the bill @12% p.a. **10 Marks R CO1**
- Pass Necessary Journal entry in the books of Bank.

OR

- 11** Calculate the discount on the following Bills. **10 Marks R CO1**
- I) 30,000, 3-month, rate 6% per month (Presented after one month)
 II) 40,000 2-month Rate 6% per year (Presented on Same date)

- 12** Give the Format of Revenue account of electricity Company **10 Marks R CO1**

OR

- 13** Following are the details of Torrent Power Limited on 31st March 2024. **10 Marks R CO1**
- Equity Share Capital 30,000 (Face Value ₹ 10 each) , Preference share Capital 25,000(Face value ₹ 10 each) Land purchased 6,000 Distribution station 7,400 Machinery 2,000 , Mains 15,000 , Transformers 10,000 Meter 500 , Instrument 1,500 , Furniture 150 , Tools 30 , Law cost 5,000,
 The following additional information provided on 31st march 2024.
 1.Additinal Expenditure on Building 140, Machinery ₹ 100, distribution Station ₹ 185, Transformers ₹ 65 , Meters ₹ 20, Instrument ₹ 10, Tools ₹ 10, Public Lamps ₹ 114 .
 Prepare the statutory Capital account on 31st march 2024.