

M.B.A. (CBCS Pattern) Semester-IV  
**PCB4EH4-Group H-SP04 : Basics of Financial Accounting for Bankers**  
**(Banking and Financial Service Management)**

P. Pages : 3

Time : Three Hours



**GUG/W/24/10743**

Max. Marks : 70

- Notes : 1. Attempt **any five** questions.  
2. All questions carry equal marks.

1. What is Bond Pricing? Discuss the terminologies of premium and discount. **14**
2. Explain the each type of Subsidiary book with an example. **14**
3. On April 1, 2017, Hassan Sajjad Store Cash book showed debit balances of Cash Rs. 1,550 and Bank Rs. 13,575. During the month of April following business was transacted. You are required to prepare Cash Book? **14**  
**April 2017**  
**02** Purchased Office Type - Writer for Cash Rs. 750; Cash Sales Rs. 1,315.  
**07** Deposited Cash Rs. 500 to bank.  
**10** Received from A. Hussian a check for Rs. 2,550 in part payment of his account (not deposited)  
**16** Paid by check for merchandise purchased worth Rs. 1,005.  
**20** Deposited into Bank the check received from A. Hussian.  
**22** Received from customer a check for Rs. 775 in full settlement of his accounts (not deposited)  
**24** Sold merchandise to sweet Bros. for Rs. 1,500 who paid by check which was deposited into bank.  
**26** Paid creditor a Salman Rs. 915 by check.  
**28** Deposited into Bank the check of customer of worth Rs. 775 was dated 22<sup>nd</sup> April.  
**29** Paid wages by cash Rs. 500 and salary Rs. 1,000 by bank.  
**30** Drew from Bank for Office use Rs. 250 and Personal use Rs. 150.
4. Jordan & co have bank account with two banks viz, Dena Bank and Bank of India. On 31<sup>st</sup> Dec 2018 his cash book shows a balance of Rs. 5,000/- with the Dena Bank and an overdraft of Rs. 2,250/- with the Bank of India. On further verification, the following facts were discovered. **14**
  1. A deposited of Rs. 1,500/- made in the Dena Bank on 20<sup>th</sup> Dec 2018 has been entered in the column for the Bank of India.
  2. A withdrawal of Rs. 500/- from the Bank of India on 2<sup>nd</sup> Nov 2018 has been entered in the column for the Dena Bank.
  3. Two cheques for Rs. 500/- and Rs. 750/- deposited in the Dena Bank on 1<sup>st</sup> Dec 2018 (and entered in the Bank of India) have been dishonored by the bankers. The entries for dishonored have been made in the Bank of India column.

4. Cheques were issued on 29<sup>th</sup> Dec 2018 on Dena Bank and the Bank of India for Rs. 10,000/- and Rs. 1,000/- respectively. These have been cashed till 31<sup>st</sup> Dec 2018.
5. Incidental charges of Rs. 10/- and Rs. 25/- charged by the Dena bank and the Bank of India respectively. Have not been entered in the books.
6. Dena Bank has credited an interest of Rs. 50/- and the Bank of India has charged an interest of Rs. 275, These have not entered in the books.
7. The deposit of Rs. 5000/- and Rs. 3500/- made into Dena bank and Bank of India respectively have not yet been given credit by them till 31<sup>st</sup> Dec 2018.  
Draw up two bank reconciliation statement.

5. Saket Consigned 2,000 metric tons of chemicals at a cost of Rs. 1,600 per MT to Sharad. Saket paid freight and Insurance charges of Rs. 40,000/-. Of the above 500MT of Chemicals were destroyed by fire during transit. Sharad cleared the balance of 1,500 MT of Chemicals and sold 1,000 MT at an average price of Rs. 2,000 Per MT. Sharad incurred the following expenses. 14

Godown rent Rs. 10,000/-

Insurance Rs. 6,000/-

Clearing charges Rs. 9,000/-

Insurance claim received against fire Rs. 8,00,000/- offer admitting the salvage value of stock destroyed by fire at Rs. 20,000/-. Sharad was entitled to a commission of 10% on sale proceeds. Sharad send the balance to Saket after adjusting his commission and expenses out of the sale proceeds.

Prepare consignment account and Sharad account in the book of Saket.

6. From the following balances, Prepare Balance sheet of Rani Laxmi Bank Ltd as on 31<sup>st</sup> March 2019. 14

Particular	Amount
Share Capital	32,00,000
Statutory reserve (Previous year)	20,80,000
Profit & Loss A/C	25,60,000
Borrowing from RBI & Others	2,07,04,000
Money at call and short notice	72,00,000
Cash credits	80,00,000
Overdraft	40,00,000
Buildings	1,04,00,000
Investment in gold	32,00,000
Balance with RBI	40,64,000
Saving Deposit	44,80,000
Term Deposit	70,40,000
Bills Payable	70,40,000
Investment in Govt Securities	84,80,000
Current Deposit	35,20,000
Cash in hand	22,40,000
Transfer to statutory reserve (Profit of current year Rs. 32,00,000)	3,20,000
Branch Adjustment (Dr)	19,20,000
Stamps & Statutory	3,20,000
Silver	12,80,000

7. The following information is disclosed by the Balance Sheet of Sarang Co. as on 31<sup>st</sup> March 2019. 14

Liabilities	Amount	Asset	Amount
Capital	2,46,000	Land & Building	54,000
Reserves & Surplus	60,000	Machinery	81,000
Creditors	57,060	Investment	45,000
		Stock	40,275
		Debtors	1,13,985
		Cash at Bank	28,800
	<b>3,63,060</b>		<b>3,63,060</b>

The following Net Profit for the year ended:

March 31<sup>st</sup> 1997 48,420

March 31<sup>st</sup> 1998 55,305

March 31<sup>st</sup> 1999 65,025

The above amounts include income from investment Rs. 2,700/-

You are required to calculate the value of goodwill of the above business on the basis of 3 years purchase of average super profit of 3 years taking into account fact that standard rate of return on capital employed is in this type of business is 10% and assume that Mr. Sarang withdraw in full profit immediately.

8. Explain learning and hire purchase company accounts. 14
9. Explain the submission on returns to RBI differentiate between public and private sector banks. 14
10. Write short notes **any two**. 14
- Amortization and Sinking Funds.
  - Categories, Assets, Liabilities and Net Worth Components.
  - CG reporting.
  - Difference between Receipt and Payment.

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