



DEBC504

Reg. No.

--	--	--	--	--	--	--	--

V Semester B.Com. (Regular) Degree Examination,
December/January - 2025/26

COMMERCE

Advanced Accounting (Elective - I)

(NEP Scheme F&R)

Paper : 5.4

Time : 2½ Hours

Maximum Marks : 60

Instructions to Candidates:

Answer should be written completely in English only.

SECTION - A

Answer any FIVE of the following sub-questions. Each sub-question carries 2 marks.

(5×2=10)

1. a) State two Reasons for Buyback of shares.
- b) What are Non - Banking Assets?
- c) What is Reserve for Unexpired Risk?
- d) What is Double Insurance?
- e) Give two examples of contingent liability in banking company.
- f) What is ex-interest and cum interest of securities?
- g) State four items shown in schedule no. 16 of banking company.



SECTION - B

Answer any FOUR of the following questions. Each question carries 5 marks.

(4×5=20)

2. From the following, calculate the benefits paid as per Insurance Regulation Act.

Claims by death Rs. 10,51,500

Annuities Rs. 2,02,250

Surrenders Rs. 2,82,000

Bonus in cash Rs. 19,500

Bonus in reduction of premium Rs. 25,500

Additional information :

Further bonus in reduction of premium Rs. 12,500

[P.T.O]



3. Following bills are discounted by MS. Bank Ltd, during the financial year 2023-2024. You are required to find out rebate on bills discounted for the year ending 31-03-2024.

Amount of Bills	Due Date	Rate of Interest
60,000	31-07-2024	14% p.a.
65,000	30-06-2024	12% p.a.
1,00,000	31-05-2024	15% p.a.
85,000	31-08-2024	16% p.a.

4. While preparing the final accounts of Banking company under which schedule the following appears.

- Current accounts
- General Reserve
- Transfer fees
- Commission and exchange
- Interest on deposits.

5. Mr. X purchases 12% debentures from Y Ltd on 1.8.2025 for Rs. 98 (cum-interest) of Rs. 12,000. Date of interest payment 31st March and 30th September.

Mr. X incurred stamp duty - 2%, Taxes - 1%, Brokerage - 1.5%, Legal charges - Rs. 40
Calculate cost of purchase of securities.

6. A marine insurance company reported the following details for the year ended 31-03-2025. Calculate Net Premium earned.

- | | |
|--|---------------|
| a) Premium received on original policies | Rs. 80,00,000 |
| b) Re-insurance premium paid | Rs. 11,00,000 |
| c) Re-insurance premium received | Rs. 3,50,000 |

Adjustments :

- O/s Premium on 01-04-2024 Rs. 50,000
- Advance Premium on 31-03-2025 Rs. 20,000

SECTION - C

Answer any TWO of the following questions. Each question carries 12 marks.

(2×12=24)

7. On 1.1.2024, 200 6% Debentures of Rs. 100 each of Z Ltd were 'held' as investments in Y Ltd at a cost of Rs. 18,200. Interest is payable on 31st December.

- On 1.4.2024 : Rs. 4,000 of such Debentures were purchased by Y Ltd @ Rs. 98 each cum-interest.
- On 1.9.2024 : Rs. 6,000 Debentures were sold at Rs. 96 ex-interest.
- On 1.12.2024 : Rs. 8,000 Debentures were sold at Rs. 99 cum - interest
- On 31.12.2024 : Y Ltd sold Rs. 10,000 Debentures at Rs. 95 cum - interest.



Prepare the investment account for 6% Debentures of Z Ltd in the books of Y Ltd. Ignore Income tax. If the books are closed on 31-12-2024. If any closing stock, valued at average.

8. From the following balances, prepare the Balance Sheet of Lucky Bank Ltd., as on 31.3.2023.

	Rs.		Rs.
Share Capital (2,000 shares)	2,00,000	Money at call	9,00,000
Premises	1,00,000	Profit for the year	45,000
Rebate on Bills Discounted	5,000	Investments	7,00,000
Traveller's Cheque	2,00,000	Bills Purchased	15,00,000
Deposits	56,00,000	Acceptances for customers	5,00,000
Loans	22,00,000	Bills for collection	4,00,000
Reserves	3,00,000	Depreciation Fund on premise	10,000
Cash in hand	30,000	Cash with RBI	5,20,000
Cash with other Banks	4,50,000	Pension Fund	40,000

The following were completely omitted while the above balances were calculated. They should be adjusted suitably.

- a) Traveller's Cheque paid Rs. 10,000.
 - b) Money at call recovered Rs. 20,000.
9. From the following balances of Oriental Insurance Company Limited as on 31.2.2023, prepare :

- a) Fire Revenue Account
- b) Marine Revenue Account.
- c) Profit and Loss account.

Particulars	Fire	Marine
Bad debts	10,000	24,000
Reserve (as on 1.4.2022)	5,00,000	16,40,000
Claims paid on O/s	3,80,000	7,60,000
Commission paid	1,80,000	2,16,000
Additional reserve (As on 1.4.2022)	1,00,000	-
Premium less Insurance	12,00,000	21,60,000
Management expenses	2,90,000	8,00,000
Commission on reinsurance ceded	60,000	1,20,000
	(Rs.)	
Auditors fees	6,000	
Directors fees	6,400	

