

Time 2 Hours

Total Marks 60

- N.B: 1. All questions are **Compulsory**.  
2. Figures to right indicate full marks.

**Q.1.(A)** What are banking companies? Explain the features of Banking Companies. (08)

(B) What are the various types of Bank Products and Services. (07)

**OR**

(C) What are the various types of Bank? Explain any 4 (08)

(D) Explain the various phases of growth and development of Banking in India. (07)

**Q.2 (A)** Discuss the highlights of Banking Regulation Act 1949 (08)

(B) What is interest ? Explain simple and compound interest. (07)

**OR**

(C) Give an overview of Financial statement of Bank and Discuss items to be included Financial Statement of Banks. (08)

(D) Give brief view on 'Basel I' , 'Basel II' and 'Basel III'. (07)

**Q.3 (A)** The following figures are taken from the books of Ahmednagar Bank Ltd.  
For the year ending 31<sup>st</sup> March 2021. (15)

Particulars	Rs in '000'
Auditors fees	16
Depreciation of Bank Property	62
Rent Received	124
Interest on overdraft	5000
Discount earned	2600
Commission and Exchange	390
Interest paid	4000
Salary and wages	420
Directors fees	70
Rent and Taxes	140
Postage and Telegram	122
Printing and Stationary	300
Profit on sale of Investment	180
Loss on sale of Investment	76

**Additional Information**

1. A dividend of Rs. 2,00,000 is proposed by the Board of Director.
2. The Profit and Loss account had a Opening balance of Rs.10,00,000
3. An advance of Rs. 5,68,000 has become doubtful and it is expected that only 50% Of the amount due can be recovered from the security.
4. The Provision for Tax be made at 35%

Prepared Profit and Loss Account of the Ahmednagar Bank Ltd. for the year ending 31<sup>st</sup> March 2022.

OR

(B) From the following balances, prepared Balance Sheet of Mumbai Bank Ltd. for the year ended 31<sup>st</sup> march 2021.

Particulars	Rs. In '000
Equity Share Capital	2,000
Statutory Reserve	1,000
Appropriation of Statutory Reserve	400
Profit & Loss Account Balances	1,400
Capital Reserve	400
Demand Reserve	2,400
Saving Bank Deposit	2,800
Term Deposit	2,000
Borrowing from RBI	2,400
Borrowing from other banks	10,540
Bills Payable	3,000
Inter-office Adjustment (Cr.)	1,400
Cash in hand	1,400
Balance with RBI	2,540
Money at call and short notice	4,500
Investment in Government	2,800
Investment in Share	2,500
Gold	2,000
Cash credit	3,500
Overdraft	3,000
Term Loans	5,000
Premises	2,500

The authorized capital of the bank is Rs. 50,00,000 divided in 5,00,000 shares of the face value of Rs.10 each. Investment in shares include 1,00,000 shares in Ajay Auto @ 4 per share where as the face value of the share of Rs. 10. The bank has bills for collection to the extent of Rs. 10,00,000.

**Q.4 (A)** State whether the following statements are True or False.(Any 8) (08)

1. Amortization is a gradual and systematic writing off of an asset or an account over an appropriate period.
2. Banks accounting system is based on Single entry system.
3. Balance sheet shows the profitability of a unit.
4. Cash book is an example of General book.
5. Interest on Capital is gain for the business.
6. Bank show the provision for income tax under the head of other liability Provision.
7. Profit and Loss account of Banking company is prepared in form 'A'.
8. Repair and Maintenance charges are shown in Schedule no. 12.
9. EMI stands for Equated Mortgage Instalment
10. ATM stands for Automated teller Machine

(B) Choose the appropriate options given below. (Any 7)

(07)

1. Which words used in French for Bank \_\_\_\_\_  
a) Banco    b) Banque    c) Bank    d) Deposit
2. The Bank shows bills purchased and discounted under the head \_\_\_\_\_  
a) Investment    b) Fixed asset    c) Other asset    d) Advances
3. Which of under section \_\_\_\_\_ Banking Regulation act provides preparation of bank account in prescribe form.  
a) Section 19    b) Section 27    c) Section 28    d) Section 29
4. Postage and Telegram shown under schedule \_\_\_\_\_  
a) Operating expenses    b) Interest expended    c) Other income    d) Other asset
5. AS-2 stand for \_\_\_\_\_  
a) Cash flow statement    b) Valuation of inventories    c) Depreciation    d) Leases
6. NPA norms are applicable for District Central Co-operative Banks from the year \_\_\_\_\_  
a) 1949    b) 1955    c) 2002    d) 2013
7. Total equity – creditors equity is \_\_\_\_\_  
a) Owners equity    b) Deposit    c) Reserve and Surplus    d) Fixed asset
8. Following is not a type of Bank  
a) Cooperative Bank    b) Commercial bank    c) Rural Bank    d) Path pedis

OR

(C) Write short notes. (Any 3)

(15)

1. Annuities
2. Concurrent Audit
3. Non-Performing Asset
4. Recurring Deposit
5. NABARD

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