

**SARASWAT EDUCATION SOCIETY'S  
SRIDORA CACULO COLLEGE OF COMMERCE & MANAGEMENT STUDIES  
KHORLIM, MAPUSA, GOA.**

**T.Y.BCOM FIFTH SEMESTER END EXAMINATION NOVEMBER 2023**

**ACCOUNTING MAJOR III: GOVERNMENT ACCOUNTING (DSE-3)**

[Duration: Two Hours]  
(W.E.F 2019-20) (CBCS)

[Max Marks: 80]  
Total No. of Printed Pages: 05

**Instructions:**

1. Q. NO.1 IS COMPULSORY.
2. ANSWER ANY THREE QUESTIONS FROM Q.NO.2 TO Q.NO.6.
3. FIGURES TO THE RIGHT INDICATE FULL MARKS.
4. SHOW WORKING NOTES WHEREVER NECESSARY.

Q .no .1) From the following particulars relating to MANDREM PANCHAYAT for the year ended 31<sup>st</sup> March 2022, Prepare a Receipt and Payment Account for the year ended 31<sup>st</sup> March 2022.  
(20 Marks)

PARTICULARS	AMOUNT(Rs.)
Cash in hand on 1 <sup>st</sup> April 2021 (Opening balance)	19,50,000
<b>Grants from state government ;</b>	
14 <sup>th</sup> Finance commission -----	44,00,000
Disposal of garbage -----	22,00,000
Matching grants -----	21,00,000
Members salaries grant -----	8,50,000
Construction and Building tax received	35,00,000
Sopo and Trade tax	1,68,000
House tax received	15,00,000
Construction license fees	8,27,000
Rent of land and other properties	6,63,000
Interest on saving accounts	1,40,000
Certified copies fees	30,700
Transfer fees	2,65,000
Salary of staff	14,60,000
Salary of sweeper	1,72,000
Salary of elected members	14,40,000
Newspaper and library bills	6,500
Office light bills	82,000
Stationery and printing expenses	14,000
Misc. Expenses	3,23,000
Expenses on disposal of garbage	92,000
Opening and cleaning of drains	2,27,000
Purchase of street lighting materials	12,10,000
Repairs and maintenance of street light fixtures	22,000

Financial assistance to victims of natural calamity	85,000
Library maintenance expenses	35,000
Scholarships to children	28,000
Repairs of market shade and other structures	1,45,000
Distribution of school uniforms to needy students	3,00,000
Expenses on No- plastic drive	2,36,000
Doles to poor families under Govt. scheme	25,000
Cutting of bushes	15,000
Promotion of Balwadis	25,000
Cleaning of Market area	12,000
Plastic collection expenses	18,000
Grants from Zilla Parishad for ZP Development Plan	35,00,000
Expenditure incurred towards ZP development plan activities	28,00,000

Q .no 2 ) From the following trial balance of North Maharashtra Road Transport Corporation(NMRTC) on 31<sup>st</sup> March 2022 which was registered under the Companies Act , you are required to prepare the Balance sheet as on the said date with necessary notes/ Schedules.

(20 marks)

ASSETS & LIABILITIES	DEBIT (Rs.)	CREDIT (Rs,)
Issued ,subscribed and fully paid up capital		28,00,000
Grant –in aid under JuNRUM scheme (after adjustment)		15,00,000
Government Grants for Upgradation (after adjustment)		12,00,000
Profit and loss account (current year profit )		25,00,000
Long term loan from GIDC		80,00,000
Provision for employee benefits		24,50,000
Provision for Gratuity		12,56,500
Bank overdraft		10,00,000
Trade payables		12,00,000
Insurance fund liability		2,35,000
Staff advance payable		5,50,000
Permit fees and road tax payable		1,76,000
Unclaimed gratuity		1,90,000
Unpaid bonus		1,40,000
Unpaid salaries and wages		2,50,000
Provision for bonus		2,,43,500
Provision for compensated absence		2,29,000
Land and buildings	10,00,000	
Bus stand building	10,00,000	
Workshop shade	14,00,000	
Plant and equipment	30,00,000	
Furniture and fixtures	10,00,000	
Operating fleet and other vehicles	1,00,00,000	
Computer software	1,00,000	
Investment in shares	20,00,000	
Investments in insurance fund deposit	20,00,000	

Store and spare parts	2,50,000	
Trade receivables	50,000	
Cash on hand	3,00,000	
Cash at bank	15,00,000	
Loans and advances to employees	50,000	
Prepaid expenses	50,000	
Balance with electricity department	50,000	
Balance with PWD	25,000	
Balance with RTO	1,00,000	
Deposits with court	33,000	
Interest accrued on deposits	12,000	
<b>TOTAL</b>	<b>2,39,20,000</b>	<b>2,39,20,000</b>

The authorized capital of the company was 80,000 Equity shares of Rs. 100 each 28,000 have been fully subscribed by the state government . The corporation declared a dividend @10 % on paid up share capital after transferring 5 % to General Reserve to be calculated on total profit.

**Q.no.3)** There are two mutually exclusive projects under active consideration of a company . Both the projects have a life of 5 years . The company pays tax at 50 % rate . The straight line method of depreciation will be charged on both the projects . The projects are expected to generate cash inflows after depreciation before tax as follows ; **(20 Marks)**

YEAR	PROJECT X (Rs.)	PROJECT Y (Rs.)
Capital outlay (Initial Investment )	1,30,000	1,00,000
<b>ANTICIPATED CASH FLOWS AFTER DEPRECIATION BEFORE TAX :</b>		
YEAR 1	40,000	60,000
YEAR 2	40,000	30,000
YEAR 3	40,000	20,000
YEAR 4	40,000	50,000
YEAR 5	40,000	50,000

With the help of above information , you are required to make evaluation or appraisal of the two projects and advice the firm with regard to selection of the appropriate project by using the following methods ;

- Payback period method
- Average rate of return (ARR method)
- Net present value method , where the present values of Re 1 at 10 % discounting factor is given to be as follows;

YEAR	1	2	3	4	5
Discounting factor @ 10 %	0.909	0,826	0.751	0.683	0.621

d) Profitability index at 10 % discount factor .

**Q.No.4) (A)** Greater Mumbai Electricity Corporation Ltd. gives you the following abstract from its Trial balance as on 31<sup>st</sup> March 2022. Prepare Profit and Loss account for the year ended 31<sup>st</sup> March 2022.

(10 Marks)

PARTICULARS	DEBIT (Rs.)	CREDIT (Rs.)
Purchase of Energy	72,25,000	
Salaries and wages	32,00,000	
Operation expenses	10,00,000	
<b>REPAIRS AND MAINTENANCE ON :</b>		
Building	32,500	
Plant and Machinery	47,500	
Transformers	90,000	
Mains and services	2,10,000	
Lorries and trucks	18,000	
Establishment Expenses	19,90,000	
Rent ,rates and taxes	76,500	
Conveyance and travelling	60,000	
Audit fees	22,500	
General expenses	1,50,000	
Directors fees and allowances	25,500	
Interest on Loan	3,52,000	
Interest on Consumers Security deposits	1,20,000	
Electricity duty paid	10,50,000	
<b>Sale of energy ;</b>		
<b>Domestic</b>		65,00,000
<b>Industrial</b>		2,49,00,000
Rent of meters		1,20,000
Maintenance receipts of public lamps		22,500
Hire charges on Machines received		37,500
Misc . receipts		15,000
Staff welfare expenses	25,000	
Bank charges	10,000	
Insurance	50,000	

Additional information ;

1. Depreciation for the year Rs.27,25,000.
2. Provision for taxation Rs.14,80,000.
3. Outstanding salaries amounted to Rs. 4,00,000 .

**(B)** Explain in detail the features of government accounting and its advantages. . (10 Marks)

d) Profitability index at 10 % discount factor .

**Q.No.4) (A)** Greater Mumbai Electricity Corporation Ltd. gives you the following abstract from its Trial balance as on 31<sup>st</sup> March 2022. Prepare Profit and Loss account for the year ended 31<sup>st</sup> March 2022.

(10 Marks)

PARTICULARS	DEBIT (Rs.)	CREDIT (Rs.)
Purchase of Energy	72,25,000	
Salaries and wages	32,00,000	
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<b>REPAIRS AND MAINTENANCE ON :</b>		
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Mains and services	2,10,000	
Lorries and trucks	18,000	
Establishment Expenses	19,90,000	
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Conveyance and travelling	60,000	
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Interest on Loan	3,52,000	
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Electricity duty paid	10,50,000	
<b>Sale of energy ;</b>		
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Rent of meters		1,20,000
Maintenance receipts of public lamps		22,500
Hire charges on Machines received		37,500
Misc . receipts		15,000
Staff welfare expenses	25,000	
Bank charges	10,000	
Insurance	50,000	

Additional information ;

1. Depreciation for the year Rs.27,25,000.
2. Provision for taxation Rs.14,80,000.
3. Outstanding salaries amounted to Rs. 4,00,000 .

**(B)** Explain in detail the features of government accounting and its advantages. . (10 Marks)

Q No.5) (A) State the advantages of CPM and PERT . (10 Marks)

(B) Distinguish between Commercial accounting and Government accounting (10 Marks)

Q.No.6) Answer any four the following . (5 x 4=20 Marks )

- a) Steps involved in project evaluation.
- b) Government Treasuries .
- c) Comptroller and Auditor General of India (CAG) .
- d) Principles of Government accounting.
- e) BOOT as new area of contracting .

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Particulars	Product A	Product B
Material cost	Rs. 100	Rs. 80
Labor cost	Rs. 20	Rs. 10
Overhead cost	Rs. 15	Rs. 10
Total cost	Rs. 135	Rs. 100