

Answer to Qn. 4**Computation of Rebate Pertaining to the Period After Balance Sheet Date 31.12.2011**

| Due Date 3 | Amount (Rs.) 4 | No. of Days after 31 st December 2011 5 | Rate 6 | Rebate (Rs.) (7)=(4)x(6)x(5)/365 |
|---------------|----------------------|--|-----------|--|
| 06.03.2012 | 1,40,000 | 31+29+6 = 66 | 5% | 1266 |
| 12.03.2012 | 4,36,000 | 31+29+12 = 72 | 4.50% | 3870 |
| 26.03.2012 | 2,82,000 | 31+29+26 = 86 | 6% | 3987 |
| 06.04.2012 | 4,06,000 | 31+29+31+6 = 97 | 4% | 4316 |
| | | | | 13,439 |

Computation of Interest earned

| Particulars | Rs. |
|---|----------------|
| Opening Rebate on Bills Discounted as on 01.01.2011 | 8,340 |
| Add : Discount Received for the year | 85,912 |
| | 94,252 |
| Less : Rebate on Bills Discounted as on 31.12.2011 | -13,439 |
| Amount to be Credited to P & L A/c | 80,813 |

Extracts of Balance Sheet of Lakshmi Bank Ltd

| Particulars | Schedule | Rs. |
|----------------------------------|----------|--------|
| Capital and Liabilities : | | |
| Other Liabilities and Provisions | 5 | 13,439 |

Extracts of Profit and Loss Account of Lakshmi Bank Ltd

| Particulars | Schedule | Rs. |
|-----------------|----------|--------|
| Interest Earned | 13 | 80,813 |