

[Time: 3 Hours]

[Marks:80]

Please check whether you have got the right question paper.

- N.B:
1. Question.No.1 is compulsory.
  2. Attempt any 3 question no 2-6
  3. Figure to the right indicate full marks

- Q.1 a) From the following trial balance prepare trading profit and loss Account Of M/s Anil Ltd for the year ended 31<sup>st</sup> march 2017 and balance sheet as on that date 10

Particulars	Debit (Rs)	Credit (Rs)
Machinery	90,000	
Building	50,000	
Stock (1-4-2016)	10,200	
Purchases	30,800	
Wages and salaries	17,000	
Carriage outward	3,000	
Rent	59,100	
Sundry debtors	50,000	
General expenses	1,700	
Bad debts	650	
Income tax	600	
Legal charges	800	
Anil's drawings	18,000	
Cash- in- hand	24,000	
Cash at bank	18,000	
Anil's capital		1,20,200
Sundry creditors		18,000
Bills payable		23,000
Return outwards		1,800
Interest		3,300
Sales		2,07,550
	<b>3,73,850</b>	<b>3,73,850</b>

- 1) Stock on 31-3-2017 was Rs 70,000 valued at cost and market price Rs.82,000
- 2) Depreciate machinery at 10% building at 5%
- 3) Rent outstanding Rs.800

- b) Explain over –capitalization and under –capitalization 10

- Q.2 a) Journalise the following transactions in the books of shri Mohan 2017 10

- 1 April Shri Mohan started business with cash Rs 1,50,000
- 2 April purchased goods from Mr. Singh Rs 30,000
- 3 April deposited cash into bank Rs 4,000
- 4 April sold goods to Gujar Rs 2,500
- 5 April purchased furniture of Rs 2,500 from furniture and co
- 6 April paid to Mr. Singh by cheque Rs 1,000

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- 7 April received cheque from Mr. Gujar Rs 1,200  
 8 April paid interest Rs 450  
 9 withdrew cash Rs 3,000 for personal use  
 10 April returned goods to Mr. Singh Rs 500

b) Explain any five accounting concept

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Q.3

a) A company expects to have Rs 25000 in cash on 1<sup>st</sup> may 2017 and requires you to prepare an estimate of cash budget during 3 months – May, June and July 2017

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Month	Sales	Purchases	Wages	Office expenses	Factory expenses	Selling expenses
March	50,000	30,000	6,000	4,000	5,000	3,000
April	56,000	32,000	6,500	4,000	5,500	3,000
May	60,000	35,000	7,000	4,000	6,000	3,500
June	80,000	40,000	9,000	4,000	7,500	4,500
July	90,000	40,000	9,500	4,000	5,000	4,500

## Other information

- 20% sales are in cash remaining amount collected in month of sales.
- Suppliers supply goods at 2 months credit.
- Wages and all other expenses are paid in the month following the month in which they were incurred.
- The company pays dividend to shareholders and bonus to workers of Rs 10,000 and Rs 15,000 in the month of May.
- Plant has been ordered and is expected to be received in month of June it will cost Rs 8,000 to be paid in June.
- Income tax Rs 5,000 is payable in the month of July.

b) Explain the concept of cash discount and trade discount.

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Q.4

a) The summarized final accounts of company X and Y Ltd are as follows

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Liabilities	X Ltd	Y Ltd	Assets	X Ltd	Y Ltd
Share capital	88,000	88,000	Fixed Assets	1,21,000	96,800
Reserves	42,900	35,200	Current Assets	1,25,400	1,03,400
8% Debentures	22,000	22,000	Less current liabilities	(93,500)	(55,000)
	1,52,900	1,45,200		1,52,900	1,45,200

## CALCULATE :

- Proprietary Ratio
- Capital gearing Ratio

b) Distinguish between fund flow and cash flow statement

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- Q.5 a) Calculate NPV USING Risk Adjusted discount Rate for investment project having the following cash flow 10

Year	1	2	3	4	5
Cash inflows	80,000	70,000	85,000	60,000	50,000

Initial investment is Rs. 20000

Risk free return is 7% risk adjusted rate is 10%

- b) What do you mean by window dressing? Why does a trader do window dressing? 10

- Q.6 a) Explain classification of Accounts? 10

- b) What are golden rules for personal, real and nominal A/c? 10