

241010

22324

RIZVI COLLEGE OF A/S/C
FOUNDATION COURSE -Paper III (SEM III)

October-2024

Duration: 2 1/2 Hours

Total Marks :75

Note: 1. All questions are compulsory.

2. Figures to the right indicate full marks.

Q.1 (A). Explain the following concepts (Any Five) **15 Marks**

- | | |
|-----------------------|------------------------------|
| a. Forms of violation | b. Senior Citizens |
| c. Minorities | d. Barriers to communication |
| e. Superstition | f. Hybrid Disasters |
| g. Team Building | h. Leadership Styles |

OR

(B) Write a comprehensive note on the Foundation Course (Semester III) project submitted by you.

Q.2 (A) How the rights of women are violated in India? What are the different acts implemented to favour them? **15 Marks**

OR

(B) Discuss the atrocities committed on children. What are the legal rights of them?

Q.3 (A) Examine the impact of any three natural disasters on human life. How can they be managed? **15 Marks**

OR

(B) What kind of problems are faced due to manmade disasters. Suggest some measures to deal with them.

Q.4 (A) Discuss the positive and negative impact of technology on human life. **15 Marks**

OR

(B) Discuss the meaning, objectives, branches and characteristics of science.

Q.5 (A) Write a detailed note on verbal communication? **15 Marks**

OR

(B) What are the advantages and disadvantages of non-verbal communication?

241016

Business Law

C2324

[Time : Three Hours]

[Marks : 100]

- NB :
1. All questions are compulsory subject to internal choice.
 2. All questions carry equal marks.
 3. Figures to the right indicate maximum marks.

Q.1. Answer any five of the following :

- a. Who are the persons competent to Contract? What are the legal rules, governing agreement with minors (10)
- b. What is meant by Contract? What are the essentials of a Valid Contract? (10)
- c. Explain the concept of Communication and Revocation of an Offer. (10)
- d. Define Acceptance. What are the rules regarding valid acceptance ? (10)

Q.2. Answer any two of the following :

- a. Explain the concept of Consent and Free Consent. What are the agreements in which consent is not free ? (10)
- b. Write a note on different modes of Discharge of Contract ? (10)
- c. What are the agreements against public policy ? (10)
- d. What are the Remedies on breach of Contract ? (10)

Q.3. Answer any two of the following :

- a. Explain the concept of Pledge and Lien. What is the difference between Pledge and Lien ? (10)
- b. What is meant by Indemnity and Guarantee ? Distinguish between Indemnity and Guarantee ? (10)
- c. What is meant by Bailment ? Write a note on rights and duties of Bailor ? (10)
- d. Who is an Agent ? What are the modes of termination of Agency (10)

Q.4. Answer any two of the following :

- a. Explain Implied Conditions and warranties under the Sale of Goods Act 1930 ? (10)
- b. Write a note on remedies for Breach of contract of Sale ? (10)
- c. What is meant by Sale ? Distinguish between Sale and Agreement to sell. (10)
- d. What are the rules regarding transfer of property ? (10)

Q.5. Answer any two of the following :

- a. What is meant by Cheque ? What are the different types of Crossing of Cheque? (10)
- b. Write a note on Dishonour of Cheque. (10)
- c. Explain the concept and characteristics of Negotiable Instrument. (10)
- d. What is a Promissory Note ? What are the characteristics of a Promissory Note ? (10)

241015

C2324

Rizvi College of Arts, Science and Commerce
Off Carter Road, Bandra (West), Mumbai-50

Class: SYBCOM

Time: 03 Hours

Semester: III

Marks: 100

Subject: Business Economics -III

N.B.

1. All questions are compulsory.
2. All questions carry equal marks.
3. Use of simple calculator is allowed.
4. Figures to the right indicate full marks,
5. Draw neat diagrams wherever necessary

Q.1(a) Explain the following concepts (Any 5) (10)

- | | |
|-------------------------|-----------------------|
| 1) Net Domestic Product | 5) Supply Shock |
| 2) Disposable income | 6) IS curve |
| 3) Induced Investment | 7) Headline Inflation |
| 4) Aggregate Supply | 8) Business motive |

Q.1 (b) Multiple choice questions (10)

- 1) Study of macroeconomics includes _____.
a) National Income Accounting c) Inflation
b) Trade Cycle d) All of these
- 2) GGDP can play a crucial role in the _____.
a) Economic Development
b) Social Development
c) Sustainable Development
d) Community Development
- 3) When income is equal to consumption, savings will be.
a) Positive c) Zero
b) Negative d) None of the these
- 4) Average propensity to consume (APC) = _____.
a) Y/C c) C/Y
b) $Y * C$ d) $C * Y$
- 5) Liquidity trap curve becomes _____ at 2% interest rate.
a) Positively Sloped c) Negatively slope d
b) Horizontal d) Vertical
- 6) Stagflation is a _____.
a) Macroeconomic concept
b) Microeconomic concept
c) Indian economic concept.
d) None of the above.

- 7) The LM curve indicate _____ equilibrium
- a) Money market c) Labour market
b) Goods market d) Foreign market
- 8) Base money is also known as
- a) High Powered money c) Traditional money
b) Narrow money d) Broad money
- 9) Which of the following policies is typically used to control inflation?
- a) Increasing government spending b) Cutting taxes
c) Raising interest rates d) Lowering reserve requirements for banks
- 10) Which of the following groups is most negatively impacted by inflation?
- a) Investors in real estate b) Creditors
c) Fixed income group d) All of the above

Q.2 Answer any two of the following (20)

1. Explain with the help of diagram circular flow of national income in two sector economy.
2. Define Business Cycle. Explain the features of Business Cycle.
3. Elaborate in detail scope of Macro Economics.

Q.3 Answer any two of the following (20)

1. Explain linear and non-linear consumption curves.
2. Discuss the working of multiplier with the help of a graph.
3. What is Marginal Efficiency of Capital (MEC), and how does it influence investment decisions in an economy?

Q.4 Answer any two of the following (20)

1. Examine the short run Philips curve with the help of diagram.
2. Explain the shifts in LM curve.
3. What is stagflation? Explain the consequences of stagflation.

Q.5 Answer any two of the following (20)

1. Discuss the factors affecting velocity of circulation of money.
2. Examine Fisher's Quantity theory of Money.
3. Explain Cost push inflation with the help of a graph.

24/10/14

C2324

SEM III
Marks: 100

Sub: Advertising
Time: 3 hours

- Note: 1. All questions are compulsory.
2. Figures to the right indicate full marks.

Q.1 (a) Select the most appropriate answer from the options given below (Any Ten):
10 Marks

1. _____ agency offers services on a piecemeal basis.
(a) In-house (b) Modular (c) Creative boutique (d) Mega
2. _____ is an active participant in advertising.
(a) Government (b) ASCI (c) Dubbing Artists (d) All of the above
3. _____ is not a part of advertising.
(a) Posters (b) Commercials (c) Propaganda (d) None of these
4. IMC includes _____.
(a) Direct Marketing (b) Middlemen (c) Spokesperson (d) All of these
5. Advertising helps the product to increase the value by creating _____.
(a) Brand (b) Confusion (c) Competition (d) None of these
6. _____ department in an ad agency coordinates with advertisers.
(a) Media (b) Client Service (c) Traffic (d) Accounts
7. Advertising _____ the price of the product in the long run.
(a) Increases (b) Decreases (c) Stabilizes (d) None of these
8. _____ advertisements give support to Herbaic and Ayurvedic medicines and products.
(a) Surf excel (b) Dabur (c) Lakme (d) Arie!
9. _____ advertising is not deceptive.
(a) Pro-Bono (b) Political (c) Surrogate (d) Local
10. Advertising helps a brand in crisis by using _____.
(a) Celebrity (b) Government (c) Competitor (d) None of these
11. Brand _____ refers to customers' ability to recall and recognise the brand under different conditions.
(a) Awareness (b) Loyalty (c) Fatigue (d) Personality
12. _____ advertising is used by colgate toothpaste.
(a) Pro bono (b) Competitive (c) Primary (d) Institutional

Q.1 (b) State whether the following statements are True or False (Any Ten):

10 Marks

1. IMC includes sponsorships.
2. Publicity is a non-paid form of personal presentation of advertising.
3. In advocacy advertising, an issue or cause is central to the advertising message.
4. ASCI is sponsored by the government.
5. Interactive advertising agencies specialise in social media campaigns on Twitter and YouTube.
6. All advertisements directed at children are unethical.
7. Rural advertising has improved consumer demand and standard of living in India.
8. An illegally protected brand name is called a trademark.

9. Changing attitudes of customers cannot be an objective of advertising.
10. Account executives are from the client servicing department of an Ad agency.
11. Ad agencies that create ads for only a particular industry are called modular agencies.
12. Brand loyalty is a consumer's commitment to repurchase or continue use of the particular brand.

Q.2 Answer any two of the following:

15 Marks

- a. What is Integrated Marketing Communication? Explain the role of advertising in IMC.
- b. Briefly describe the evolution of advertising.
- c. Explain the classification of advertising on the basis of functions and stages.

Q.3 Answer any two of the following:

15 Marks

- a. Define an Advertising Agency. Explain the types of an advertising agency.
- b. Describe the creative pitch? Explain the steps in preparing and presenting creative pitches.
- c. Discuss graphics and animation, modeling and dubbing.

Q.4 Answer any two of the following:

15 Marks

- a. Evaluate the effect of advertising on consumer prices.
- b. Delineate the social and cultural issues in advertising.
- c. Explain the main highlights of self regulation laws and objectives of ASCI.

Q.5 Answer any two of the following:

15 Marks

- a. Bring the light on the role of advertising in building brand image.
- b. Explain the difference between corporate image advertising and product advertising.
- c. Describe the trends in execution of advertising.

Q.6 Write Short Notes on any four of the following:

20 Marks

- a. Features of Advertising
- b. DAVP
- c. Five unethical practices in advertising
- d. Self-regulation of Advertising
- e. Communication Process
- f. Agency Compensation

241011

C2324

Accountancy & Financial Management -III

Time : 3 Hours

Total Marks : 100

- N.B (1) ALL THE QUESTIONS ARE COMPULSORY
 (2) ALL QUESTIONS CARRY EQUAL MARKS
 (3) USE OF SIMPLE CALCULATOR IS ALLOWED

Q1 (a) State whether the following statements are True or False (any ten): (10)

1. Purchase consideration on conversion of a company is settled in shares and debentures only.
2. Prepaid expense is a liability.
3. Goodwill brought by new partners is credited to all partners capital account in their capital ratio.
4. A deceased partner is not entitled to goodwill.
5. Income tax dues is a preferential liability.
6. Excess Capital Method is also known as Quotient Method.
7. Goodwill brought by the incoming partner is shared by all the partners.
8. Retirement of partners results in to gain of continuing partners.
9. Bill discounted is a contingent liability.
10. In case of sale of firms to a company, all the present partners may not become directors of the company.
11. Loan taken from spouse is an internal liability of the firm.
12. On amalgamation of firms, old firms may continue their old business.

Q1 (b) Fill in the blanks (any 10) (10)

1. A Joint Stock Company has ----- liability.
2. Assets taken by partner are debited to _____ account
3. The balance due to retiring partner is transferred to his _____ account until final settlement.
4. If the asset is appreciated ,realisation account is _____
5. New Ratio -- Old Ratio = _____ Ratio.
6. Partnership firm has _____ liability.
7. On amalgamation, assets and liabilities of vendor firm are transferred to _____ account.
8. On amalgamation, fictitious assets of vendor firm are transferred to _____ account
9. Government dues are _____ liability.
10. Unproductive wages are debited to _____ account.
11. Profit on realisation is _____ to partner's capital account.
12. Reserves appearing in the Balance Sheet belongs to the _____.

(1)

Q2. The trial balance of Ajit and Sujit on 31st December, 2013 was under: (20)

Particulars	Debit Rs	Credit Rs	Particulars	Debit Rs	Credit Rs
Capital a/c			Carriage outward	1,400	
Ajit		60,000	Wages	24,000	
Sujit		40,000	Insurance	1,600	
Drawings			Discount received		200
Ajit	2,000		Postage	8,000	
Sujit	1,000		Debtors & Creditors	70,400	64,200
Stock	44,000		Furniture	24,000	
Bills Receivable	1,800		Cash	9,800	
Purchases and Sales	1,90,000	3,02,000	Machinery	80,000	
Returns	6,000	2,000	Rent & Taxes	1,200	
Salaries	10,000		Printing & Stationery	400	
				4,68,400	4,68,400

Adjustments :

- The closing stock was valued Rs.56,000 on 31st December 2013 .
- The outstanding expenses were:(a) Wages Rs.2,000 (b) Salaries Rs.930
- Goods of Rs. 2,000 were distributed as free samples.
- Interest on partners capital is to be provided at the rate of 7% p.a
- Prepaid insurance was Rs.100.
- Depreciation was to be provided on furniture at 10% and on machinery 5%.
- A reserve for bad debt was to be created at 5% of sundry debtors

Prepare Trading & Profit / Loss A/c for the year ended 31st December, 2013 and Balance sheet as on date.

OR

Q2. Following is the Balance Sheet of Pandit, Sharma and Karma sharing profits and losses in the ratio of 4:2:1. They decided to dissolve the partnership as on 31st March, 2017 when their Balance Sheet was as under. (20)

Liabilities	Rs.	Assets	Rs
Partners Capital:		Land and Building	1,00,000
Pandit	2,00,000	Machinery	3,00,000
Sharma	1,20,000	Debtors	90,000
Karma	40,000	Stock	69,000
10% loan (unsecured)	80,000	Cash in hand	1,000
Bills Payable	60,000		
Sundry Creditors	60,000		
	5,60,000		5,60,000

(2)

Realisation Expenses were estimated at Rs.1,600.

All cash received should be distributed among partners. The amount were realised as follows.

The assets were realised as under:

First Instalment Rs.1,20,600

Second Instalment Rs. 1,00,000

Third Instalment Rs. 1,58,000

Fourth Instalment Rs. 55,400

Actual realisation expenses were Rs.1000.

Prepare a statement showing piecemeal distribution of cash by adopting Excess Capital Method

Q3.Following is the Balance Sheet of two firms as at 31st March, 2018: (20)

Liabilities	Prem & Co (Rs)	Raj & Co (Rs)	Assets	Prem & Co.(Rs)	Raj & Co. (Rs)
Capital:			Premises		5,000
Prem	11,500		Computers	10,000	----
Anil	11,500		Furniture	5,000	7,000
Raj		18,000	Inventory	9,000	8,000
Shyam		12,000	Debtor	6,000	14,000
General reserve		3,000	Bank	2,000	4,000
Creditors	5,000	4,000	Cash	1,000	2,000
Bills Payable	5,000	3,000			
	33,000	40,000		33,000	40,000

It was mutually agreed to amalgamate the business from 1st April, 2014.

Terms of amalgamation were as follows:

a) Premises were valued at Rs.10,000 and Computers were valued at Rs.12,000

b) Furniture was not taken over by new firm.

c) A reserve of 5% to be created on debtors

d) Goodwill was valued as RS.10,000 and Rs. 15,000 respectively.

e) The new firm also assumed other assets and liabilities of the old firm at book value.

Prepare: Realisation account, Partners capital account and New Firm account in the books of old Firms and Balance Sheet in the books of New firm after amalgamation.

OR

3

Q3. A, B, & C are partners sharing profits and losses in the ratio of 4:2:1. They decide to dissolve the partnership as on 31st March, 2018 when their Balance Sheet was as follows :

Liabilities	Rs.	Assets	Rs.
Creditors	11,400	Cash in hand	140
General reserve	18,000	Investment	30,000
Bank Overdraft	32,500	Stock	1,28,300
Capital		Debtors	45,400
A	80,000	Machinery	32,600
B	1,60,000	Furniture	4,900
C	1,30,000	Building	1,91,460
	<u>4,32,800</u>		<u>4,32,800</u>

All Creditors have to be paid off. Rs. 2,400 have to be provided for realisation expenses. Thereafter all cash received should be distributed among the partners.

The amounts were realised as follows:

First Instalment Rs. 30,720

Second Instalment Rs. 36,800

Third Instalment Rs. 2,12,840

Fourth Instalment Rs. 92,600

Actual realisation expenses were Rs. 1,200.

Prepare a statement showing piecemeal distribution of cash by adopting Excess Capital Method. (20)

Q4. Anelka, Eliza and Jinal are partners sharing profits and losses equally. They decided to convert their partnership firm into a joint stock company by the name of AEJ Ltd. Following is their Balance Sheet on the date of Conversion. (20)

Liabilities	Rs.	Assets	Rs.
Creditors	96,000	Bank	2,00,000
General reserve	24,000	Investment	43,000
Bills Payable	8,000	Stock	1,20,000
Capital:		Debtors	1,65,000
Anelka	3,00,000	Plant and Machinery	1,52,000
Eliza	3,00,000	Furniture	84,000
Jinal	3,00,000	Motor Van	66,000
		Building	1,98,000
	<u>10,28,000</u>		<u>10,28,000</u>

AEJ Ltd took over the following assets and liabilities.

Building	Rs. 2,00,000	Plant and Machinery	Rs. 2,00,000
Furniture	Rs. 14,000	Stock	Rs. 1,50,000
Goodwill	Rs. 66,200		

Create 10% Reserve for doubtful debts. The company has agreed to take over Sundry Creditors at Rs.82,000

The purchase consideration was discharged by issue of sufficient number of Equity Shares of Rs.100 each fully paid up at par.

The firm sold investment for Rs. 50,000 and bills payable were fully paid.

Motor van was taken by Anelka at book value. The firm paid realisation expenses Rs.20,000.

Purchase consideration was distributed amongst the partners as per their proportionate capital at the end. You are required to: Calculate the Purchase consideration & Close the books of Old Partnership firm

OR

Q4.The following is the Trial Balance as on 31st December , 2013.

(20)

Debit	Rs.	Credit	Rs.
Cash	29,700	Creditors	40,500
Debtor	93,000	Sales	5,40,000
Rent and Rates	17,700	Capital:	
Salary	36,000	D	72,000
Sundry Expenses	15,600	E	36,000
Stock	75,000	F(including goodwill)	12,000
Purchases	3,30,000		
Sundry Assets	31,500		
Drawings:			
D	45,000		
E	22,500		
F	4,500		
	<u>700,500</u>		<u>700,500</u>

Adjustments:

- 1) D and E were partners sharing profits and losses equally
- 2) Mr. F was admitted to the partnership on 1st July, 2013
- 3) On 31st December, 2013. Stock was valued at Rs 70,500.
- 4) Rent and Rates paid in advance Rs. 700
- 5) Sundry expenses were outstanding Rs.400.
- 6) Depreciate sundry assets by 20%.
- 7) Goodwill of the firm was valued at Rs. 6,000 on 1st July, 2013 and not to appear in the Balance Sheet
- 8) Interest on capital to be charged at the rate of 10%

You are required to prepare Trading and Profit and Loss Account for the year ended 31st December, 2013 and Balance Sheet as on that date.

Q5 (A) Explain the benefits of Conversion of firm into company. (10)

(B). What is Profit and Loss Appropriation account? Discuss the items to be considered in Profit and Loss Appropriation account. (10)

OR

Q5. Write a short note on (any four) (20)

- (a) Piecemeal distribution of cash.
- (b) Accounting procedures for closing books of old firm under amalgamating firm.
- (c) Sale of Firm to Company
- (d) Fixed Capital Method and Fluctuating Capital method
- (e) Preferential Creditors
- (f) Partnership Deed

241018

C2324

RIZVI COLLEGE OF ARTS, SCIENCE AND COMMERCE

SUB: COMMERCE III

SEM III

100 MARKS

3 HOURS

Q.1 (a) Select the most appropriate answer from the option given below. (Any ten)
(10)

1. "Management is the art of getting things done through people" This definition is given by _____.
(Mary Parker Follet, Peter Druker, Hendry Fayol, Harold Koontz)
2. Authority refers to _____.
(Unity of directors, Power to take decisions, Obligation, Reward for action)
3. _____ is the process of ensuring that actual activities conform to planned targets.
(Controlling, Motivating, Planning, Directing)
4. _____ refers to the line of command that flows from top level to the lower levels in an organization.
(Order, discipline, Scalar chain, Unity of command)
5. Plans need to be _____.
(Flexible, Rigid, Single, Complicated)
6. _____ is a broad long-term plan for moving the organization from the present position to a desired future position.
(Strategy, Mission, Policy, Rule)
7. MIS activity in an organization is _____ in nature.
(Continuous, Static, Creative, Cooperative)
8. There must be _____ between authority and responsibility.
(Equity, Similarity, Balance, Conflict)
9. _____ organization structure increases the number of levels in an organization.
(Flat, Tall, Horizontal, Vertical)
10. Under _____ style of leadership, a leader often follows rules and regulations to make decisions.
(Autocratic, Consultative, Bureaucratic, Participative)
11. _____ technique helps to expedite highly complex projects.
(MBO, PERT, CMS, CPM)
12. _____ is a function of leadership.
(Directing, Confidence, Vision, Rigid)

(b) State the following statements are true or false. (Any ten)

(10)

1. Staffing involves selection of the right person for the right job.
2. Division of work leads to specialization.
3. The top management requires more technical skills as compared to conceptual skills.
4. A procedure is a standing plan.
5. The standing plans are used for a specific activity.
6. Professional managers make only reactive decision.
7. Controlling is a measuring and correcting device.
8. Departmentation is necessary in a small organization.
9. The objective of organization must be common.

10. Bonus is a non-monetary incentive.
11. Motivation can be only positive in nature.
12. Job enrichment refers to horizontal expansion of job.

Q.2 Answer any two from the following.

(15)

- What are the management skills and competencies required in 21st century?
- Explain scientific management theory of F.W. Taylor
- Discuss the origin of Indian ethos.

Q.3 Answer any two from the following.

(15)

- Illustrate the components of planning.
- Explain the advantages of MBO.
- Outline the techniques of decision making.

Q.4 Answer any two from the following.

(15)

- Discuss the steps in organizing process.
- Enumerate the bases of departmentation.
- Explain the factors affecting Decentralization.

Q.5 Answer any two from the following.

(15)

- What are the importance of motivation?
- Define qualities of a good leader.
- Discuss the essentials of a good control system?

Q.6 Write short notes on any four of the following.

(20)

- Management Information System
- Importance of communication
- PERT as a controlling technique
- Factors influencing motivation of employees
- MBE
- Virtual Organization

Rizvi College of Arts, Science and Commerce

Time: 3 Hours

Total Marks: 100

Note.:

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Working should form part of the answer.
4. Simple calculator is allowed.

Q.1 A. Match the Columns: (Any 10)

(10)

Column A	Column B
1. Break Even Point	A. Profit Reinvested In The Business
2. Current Ratio	B. Shows Inflows And Outflows Of Cash
3. Capital Budgeting	C. Deduction From The List Price
4. Depreciation	D. Method To Evaluate Investment Projects
5. Creditors	E. Intangible Assets
6. Inventory Turnover Ratio	F. Profit From Business Operations
7. Operating Profit	G. Cost Of Goods Sold /Average Inventory
8. Internal Rate Of Return	H. Laboratories To Outsiders
9. Trade Discount	I. Decrease In Value Of Assets
10. Cash Flow Statement	J. Decision Making For Long Term Investments
11. Retained Earnings	K. Current Assets / Current Liabilities
12. Goodwill	L. Point Where Total Revenue Equals Total Cost

Q.1 B. State whether the following statements are True or False: (Any 10) (10)

1. Financial accounting focuses on external reporting.
2. Net working capital is the excess of current liabilities over current assets.
3. Profit and loss account shows the financial position of an organization.
4. Fixed assets are purchased for long-term use in a business.
5. Liquidity ratios measure the profitability of a firm.
6. A higher current ratio indicates better short-term financial strength.
7. Discounting factor is used to calculate present value in capital budgeting.
8. A high operating leverage indicates a high proportion of variable costs.
9. Working capital is the amount available to run day-to-day operations.
10. Solvency ratios indicate a firm's ability to meet its long-term obligations.
11. A ledger is the principal book of accounts in double-entry bookkeeping.
12. Fixed costs vary with the level of output.

Q.2 Prepare a Comparative Income Statement of M/S Gurman Ltd. and comment on the financial performance:

(20)

Particulars	2022	2023
Sales	5,00,000	10,00,000
Opening stock	50,000	3,00,000
Purchases	3,50,000	4,50,000
Closing stock	1,50,000	2,50,000
Operating Expenses		
Administrative Expenses	20,000	30,000
Selling & Distribution Expenses	10,000	20,000
Finance Expenses	10,000	10,000
Non-Operating Expenses	5,000	6,000
Non-Operating Income	6,000	8,000
Debenture Interest	11,000	12,000
Provide Tax @50%		

OR

Q.2. Following is the Balance Sheet of Pratikraj Ltd. as on 31st March, 2017.

(20)

Balance Sheet as on 31st March, 2017

Liabilities	₹	Assets	₹
Equity Share Capital	3,00,000	Fixed Assets	400,000
8% Preference Share Capital	2,00,000	Investments	1,50,000
General Reserve	20,000	Stock	25,000
Profit and Loss Account	50,000	Debtors	75,000
10% Debentures	1,00,000	Bills Receivables	30,000
Creditors	20,000	Cash	15,000
Bills Payable	7,000	Preliminary Expenses	5000
Outstanding Expenses	3,000		
	7,00,000		7,00,000

Prepare a Common-size Balance Sheet from the above in vertical form.

Q.3 Following is the Profit and Loss Account for the year ended on that date of East West Ltd.. Prepare Vertical Trading and Profit and Loss Account :

(20)

Trading and Profit and Loss Account for the year ended 31st March, 2017

Particulars	₹	Particulars	₹
To Opening Stock	6,00,000	By Sales	60,00,000
To Purchases	51,60,000	By Closing Stock	6,00,000
To Gross Profits c/d	8,40,000		
	66,00,000		66,00,000
To Selling Expenses	44,000	By Gross profit b/d	8,40,000
To Administrative Expenses	80,000	By Royalties	30,000
To Office Rent	56,000		
To Interest	90,000		
To Depreciation	2,00,000		
To Income-tax	1,60,000		
To Net Profit	2,40,000		
	8,70,000		8,70,000

OR

Q.3 Calculate the following ratios based on the given balance sheet of A Ltd.: (20)

1. Debt-Equity Ratio
2. Current Ratio
3. Gross Profit Ratio
4. Net Profit Ratio
5. Operating Ratio
6. Return on Investment (ROI)
7. Capital Gearing Ratio
8. Quick Ratio

Particulars	2016 ₹	2017 ₹
Sales (Credit)	12,00,000	15,00,000
Fixed Assets (Net)	5,00,000	8,00,000
Debtors	2,00,000	2,95,000
Creditors	100,000	2,00,000
Bank Balance	50,000	20,000
Closing Stock	2,00,000	400,000
Bank Overdraft	100,000	2,50,000
Purchases	9,00,000	12,00,000
Expenses	100,000	1,50,000
Depreciation	75,000	1,20,000
Interest on Overdraft	15,000	40,000
Loan	-	2,00,000
Interest on Loan	-	35,000
Equity Share Capital	400,000	400,000
Reserves	1,90,000	2,07,500
Income Tax Provision	1,60,000	2,57,500

Further information: Stock on 1-1-2016 - ₹1,80,000

Q.4 The following information is presented by Data and Sons Ltd. for the year 2016-17.
Estimated Annual Production = 30,000 units

Estimated Cost Sheet per unit

Raw Materials	₹5
Wages	3
Overheads	2
Selling Price	12

Further Information:

1. The company extends two months credit to the customers.
2. The company maintains one month's stock of raw materials.
3. The company maintains two months' stock of finished goods.
4. The processing period is half a month.
5. The company is allowed one month's credit by suppliers.
6. Wages and Overheads are paid one month in arrears.
7. The cash and bank balance is expected to be ₹,125.
8. There is regular purchase, production and sales cycle.
9. During the production process wages and overheads accrue evenly.
10. Debtors are to be calculated on sale price basis. Prepare an estimate of working capital.

OR

Q.4 The cost of Machinery A is 10,00,000 and cost of Machinery B is 20,00,000. Depreciation has been applied on a Straight Line Method with no salvage value.: (20)

Year	Net Profit After Depreciation and Tax of Machine A in ₹	Net Profit After Depreciation and Tax of Machine B in ₹
1	5,00,000	12,00,000
2	6,00,000	12,00,000
3	7,00,000	15,00,000
4	8,00,000	16,00,000
5	7,00,000	15,00,000

1. Using average rate of return method analyze which machine should be accepted
2. Using payback period method which machine should be accepted

Q.5 A.Explain all Balance Sheet Ratios (10)

Q.5 B. Explain Classification of Current Assets (10)

OR

Q.5 Write short notes on any four of the following: (20)

1. Functions of Management Accounting
2. Working Capital Management
3. Capital Structure
4. Return on Investment (ROI)
5. Limitations of Ratio Analysis
