

# ACCOUNTS

**Maximum Marks: 80**

**Time Allowed: Three Hours**

**Reading Time: Additional Fifteen Minutes**

## Instructions to Candidates

1. You are allowed an **additional fifteen minutes** for **only** reading the paper.
2. You must **NOT** start writing during reading time.
3. This Question Paper has **16 printed pages**.
4. It is divided into **three** sections and has **18 questions** in all.
5. **Section A** is compulsory and has **ten** questions.
6. You are required to attempt **all** questions either from **Section B or Section C**.
7. **Section B** and **Section C** have **four** questions each.
8. Internal choices have been provided in **five** questions in **Section A** and in **two** questions each in **Section B** and **Section C**.
9. While attempting **Multiple Choice Questions** in **Sections A, B and C**, you are required to **write only ONE** option as the answer.
10. **All calculations** should be shown clearly.
11. All workings, including rough work, should be done on the same page as, and adjacent to, the rest of the answer.
12. The intended marks for questions or parts of questions are given in the brackets [].

## Instruction to Supervising Examiner

1. Kindly read aloud the instructions given above to all the candidates present in the examination hall.

## SECTION A (60 Marks)

Answer all questions.

### Question 1

In subparts (i) to (v) choose the correct options and in subparts (vi) to (x) answer the questions as instructed.

- (i) The Interest on Calls-in-Arrears Account is closed by: [1]
- (a) crediting it to Shareholders' Account.
  - (b) crediting it to Statement of Profit & Loss.
  - (c) debiting it to Shareholders' Account.
  - (d) debiting it to Statement of Profit & Loss.
- (ii) Sita and Puja are partners in a firm. The Balance Sheet of their firm shows [1]  
Property, Plant & Equipment & Intangible Assets of ₹ 20,00,000; Current Assets of ₹ 3,00,000; Non-Trade Investment of ₹ 20,000 and Creditors of ₹ 90,000.  
What is the capital employed by the firm for the purpose of the valuation of goodwill?
- (a) ₹ 19,10,000
  - (b) ₹ 23,00,000
  - (c) ₹ 22,30,000
  - (d) ₹ 22,10,000
- (iii) Mini and Vini entered into a partnership without drafting a partnership deed. In this [1]  
situation, which of the following provisions will be applicable to their firm?
- P Interest on loan given by a partner to the firm will be allowed @ 6% per annum.
  - Q No interest will be charged on drawings made by the partners.
  - R Interest on loan given by a partner to the firm will not be allowed in case the firm suffers a loss.
  - S Even if the capitals of partners are unequal, profits and losses will be shared equally by them.
- (a) P, Q, R
  - (b) Q, R, S
  - (c) P, R, S
  - (d) P, Q, S
- (iv) At the time of admission of a partner, an old partner's capital account is debited with: [1]
- (a) her share in the profit on revaluation.
  - (b) her share of the General Reserve.
  - (c) her capital deficit.
  - (d) her share of loss in the debit balance of Profit & Loss Account.

- (v) **Assertion:** The premium payable on redemption of debentures by a company is credited to Loss on issue of Debentures Account. [1]

**Reason:** Loss on issue of Debentures is a revenue loss for a company.

Which one of the following is correct?

- (a) Both Assertion and Reason are true and Reason is the correct explanation for Assertion.
  - (b) Both Assertion and Reason are true but Reason is not the correct explanation for Assertion.
  - (c) Assertion is true and Reason is false.
  - (d) Both Assertion and Reason are false.
- (vi) In the course of dissolution of a partnership firm, Ronald (a partner) settled the liability towards the firm's creditors of ₹ 55,000 at ₹ 51,000. The creditors had been transferred to the Realisation Account at their book value. [1]

**Pass the journal entry in the books of the firm to record the settling of the liability.**

- (vii) Shiv, Ravi and Mahesh are partners sharing profits in the ratio of 1:2:3. Mahesh dies and his share of profits in the year of death calculated by the time basis is ₹ 30,000. The continuing partners decide to share profits in future in the ratio of 1:3. [1]

**Pass the necessary journal entry to record Mahesh's share of profit in the year of his death.**

- (viii) A measure taken by the Government of India is that the listed companies do not have to create a Debenture Redemption Reserve for the purpose of redeeming their outstanding non-convertible debentures. [1]

**Give any one advantage of this measure to the listed companies.**

- (ix) Ronit and Sohail dissolved their partnership firm on 31<sup>st</sup> March, 2024. On that date, the Balance Sheet of the firm showed a loan of ₹ 12,000 taken by Ronit from the firm. [1]

**Give the journal entry to close this Loan Account.**

- (x) Moonshine Ltd. invited applications for 2,00,000 Equity Shares of ₹ 10 each through an IPO. By 18<sup>th</sup> March, 2024, the application money was received by the company on all the shares issued. The Board of Directors decided to allot the shares in April, 2024. [1]

**How will this liability be shown in the Balance Sheet of Moonshine Ltd. prepared as at 31<sup>st</sup> March, 2024, as per Schedule III of the Companies Act, 2013?**

## Question 2

Sasha, Disha and Jyoti are partners in a firm sharing profits in the ratio of 3:2:1. On Sasha's retirement from the firm on 1<sup>st</sup> April, 2024, the continuing partners decide that:

- The capital of the new firm shall be the same as the total capital of the old firm as shown in the Balance Sheet as at 31<sup>st</sup> March, 2024, which was ₹ 1,44,000, the surplus capital being adjusted through current account and any deficiency in capital to be adjusted through cash.
- The amount due to the retiring partner to be paid by the continuing partners privately in their gaining ratio.

The capital accounts of the partners after all adjustments on the date of retirement, showed balances of: Sasha: ₹ 19,200; Disha: ₹ 47,000; Jyoti: ₹ 87,800

You are required to pass journal entries to record:

- (i) Closing of the retiring partner's capital account. [1]
- (ii) Adjustment of deficiency / surplus in the capital balances of the continuing partners. [2]

OR

Ken, Ben and Zen are partners sharing profits in the ratio of 5:3:2. Ben died on 30<sup>th</sup> June, 2024. Ken and Zen decided to share profits in the ratio of 3:2 in the reconstituted firm.

They also decided that the representative of Ben shall be entitled to:

- (a) His share of profits calculated on the basis of the firm's sales.
- (b) His share of goodwill of the firm.

Additional information:

- The books of the financial year 2023-24 showed:
  - Sales: ₹ 5,00,000
  - Profits: ₹ 1,50,000
- Sales during the year 2024-25, till the date of Ben's death, amounted to ₹ 1,50,000.
- Goodwill of the firm at the time of Ben's death was valued at ₹ 1,80,000.
- Ben's capital on the date of death was ₹ 75,000.

You are required to:

- (i) Calculate Ben's share of profit up to the date of his death. [1]
- (ii) Pass the journal entry for Ben's share of goodwill. [1]
- (iii) Pass the journal entry for the amount due to Ben transferred to his Executor's Loan Account. [1]

### Question 3

Austin Ltd. purchased Land & Building for ₹ 50,00,000 from Swara Ltd, being payable: [3]

- 20% through bank draft
- The balance by an issue of 9% Debentures of ₹ 100 each at a discount of 15% to be redeemed at par after five years.

**You are required to pass journal entries in the books of Austin Ltd. (Ignore interest on Debentures)**

**OR**

Dew Ltd. issued 12,000, 10% Debentures of ₹100 each at par, being payable:

- ₹ 20 on Application
- ₹ 40 on Allotment
- ₹ 40 on First and Final Call.

The company received applications for 16,000 debentures.

A person who had applied for 5,000 debentures was allotted 1,000 debentures and the excess of his application money was applied towards the payment of allotment and first and final call.

The underwriters were paid a commission of ₹ 5,000.

**You are required to:**

- Pass the journal entry for writing off the underwriting commission.** [1]
- Prepare Debenture Application Account.** [2]

### Question 4

On 1<sup>st</sup> April, 2018, Jayraj Ltd. (an unlisted construction company) issued 45,000, 10% Debentures of ₹ 100 each, redeemable at a premium of 10 % in instalments, as follows:

| Date of Redemption           | Debentures to be redeemed |
|------------------------------|---------------------------|
| 31 <sup>st</sup> March, 2022 | 9,000                     |
| 31 <sup>st</sup> March, 2023 | 18,000                    |
| 31 <sup>st</sup> March, 2024 | 18,000                    |

The company complied with the legal requirements of Debenture Redemption Reserve and Debenture Redemption Investment.

**You are required to:**

- Prepare the Interest on Debentures Account for the years 2022-23 and 2023-24.** [2]
- Pass journal entry for the final closing of the Debenture Redemption Reserve Account.** [1]

**Question 5**

Mike and Jay are partners sharing profits and losses in the ratio of 3:2. On 1<sup>st</sup> April, 2024, they admit Aria as a partner.

Mike gives  $\frac{1}{4}$  of his share to Aria while Jay gives  $\frac{1}{4}$  from his share.

At the time of Aria's admission, the goodwill of the firm is valued at two years' purchase of the average profit of the last four years which were as follows:

| Year    | Profit / Loss   |
|---------|-----------------|
| 2020-21 | ₹ 50,000        |
| 2021-22 | ₹ 1,20,000      |
| 2022-23 | ₹ 1,80,000      |
| 2023-24 | ₹ 70,000 (Loss) |

On 1<sup>st</sup> April, 2023, a motor van costing ₹ 50,000 was purchased which was debited to travelling expenses account. The van depreciates @ 20% per annum.

You are required to calculate:

- (i) Aria's share in the future profits of the firm. [1]  
(ii) The value of non-purchased goodwill of the firm. [2]

**Question 6**

- (A) Zenta Ltd. has an Operating Cycle of 14 months. It has Accounts Receivables amounting to ₹ 1,00,000 out of which ₹ 60,000 have a maturity of 13 months and ₹ 40,000 to be matured between 15-17 months. [1]

Mention the headings in the Balance Sheet prepared as per Schedule III of the Companies Act, 2013, under which this information would be presented by Zenta Ltd.

- (B) Based on the balances of accounts of Akshara Ltd. given below, you are required to answer the questions that follow in the context of its Balance Sheet as at 31<sup>st</sup> March, 2024, prepared as per Schedule III of the Companies Act, 2013.

**Balances of accounts as at 31<sup>st</sup> March, 2024:**

| Particulars                                                                    | (₹)      |
|--------------------------------------------------------------------------------|----------|
| Share Capital (4,000 Equity shares of ₹ 100 each)                              | 4,00,000 |
| Unclaimed dividend                                                             | 10,000   |
| Bank Balance                                                                   | 40,000   |
| Securities Premium                                                             | 75,000   |
| Statement of P/L (Dr)                                                          | 50,000   |
| Calls-in-arrears (₹ 20 per share)                                              | 10,000   |
| Tangible Property, Plant & Equipment (at cost)                                 | 6,00,000 |
| Accumulated depreciation till date                                             | 25,000   |
| Trademark                                                                      | 70,000   |
| Underwriting commission                                                        | 10,000   |
| 10% Debentures ( $\frac{1}{5}$ to be redeemed on 31 <sup>st</sup> March, 2025) | 2,50,000 |
| General Reserve                                                                | 20,000   |

- (i) Calculate the following for Akshara Ltd.:
1. Number of shares shown under subscribed and fully paid-up capital. [½]
  2. Value of Property, Plant & Equipment & Intangible Assets. [1]
  3. Reserves and Surplus considering that the interest on debentures is due but not paid. [1]
- (ii) Show the sub-heads along with their items under 'Current Liabilities' in Notes to Accounts accompanying the Balance Sheet of Akshara Ltd. [2½]

### Question 7

Kabir and Isha are partners in a firm sharing profits and losses in the ratio of 3:2 with capitals of ₹ 1,50,000 and ₹ 1,00,000 respectively. [6]

On 1<sup>st</sup> April, 2024, they admit Vivek into the firm for  $\frac{1}{5}$  share on the following terms:

- (a) Goodwill of the firm to be valued at ₹ 55,000.
- (b) Bills payable of ₹ 30,000 to be discharged at a rebate of 10%.
- (c) From the General Reserve of ₹ 65,000 shown in the books of the firm, ₹ 15,000 to be set aside for provision for doubtful debts. Out of the remaining balance of the General Reserve, ₹ 20,000 not to be disturbed.
- (d) A Bank Loan of ₹ 20,000 to be settled.
- (e) Vivek to contribute proportionate capital and his share of goodwill in cash.

You are required to pass the necessary journal entries to record the above transactions at the time of Vivek's admission.

OR

Sana and Divya are partners in a firm sharing profits and losses in the ratio of 3:2. Their Balance Sheet as at 31<sup>st</sup> March, 2024, is given below:

**Balance Sheet of Sana and Divya**  
As at 31<sup>st</sup> March, 2024

| Liabilities                        | (₹)      | Assets             | (₹)      |
|------------------------------------|----------|--------------------|----------|
| Sundry Creditors                   | 2,00,000 | Cash at Bank       | 2,80,000 |
| Capital Accounts:                  |          | Sundry Debtors     | 2,00,000 |
| Sana                      2,00,000 |          | Less Provision for |          |
| Divya                    1,50,000  | 3,50,000 | doubtful debts     | 10,000   |
|                                    |          | Stock              | 30,000   |
|                                    |          | Goodwill           | 50,000   |
|                                    | 5,50,000 |                    | 5,50,000 |

On 1<sup>st</sup> April, 2024, they admit Rima, as a partner on the following terms:

- (a) Rima to have  $\frac{1}{4}$  share of profits, to be taken equally from Sana and Divya.
- (b) Rima to contribute half of the combined capitals of Sana and Divya.
- (c) Goodwill of the firm to be valued at ₹ 80,000.
- (d) Rima could bring only half of her share of goodwill in cash.
- (e) Provision for doubtful debts to be raised to 20% of the debtors.
- (f) Creditors of ₹ 50,000 to be paid by Sana for which she is not to be reimbursed.

You are required to:

- (i) Calculate the new profit-sharing ratio of the partners in the reconstituted firm. [1]
- (ii) Prepare the Partners' Capital Accounts. [5]

**Question 8**

[6]

Vipul, Atul and Simon are partners sharing profits and losses equally. Their Balance Sheet as at 31<sup>st</sup> March, 2024, is as follows:

**Balance Sheet of Vipul, Atul and Simon**  
**As at 31<sup>st</sup> March, 2024**

| Liabilities                  | (₹)      | Assets          | (₹)      |
|------------------------------|----------|-----------------|----------|
| Bills Payable                | 75,000   | Land & Building | 2,10,000 |
| Creditors                    | 36,000   | Furniture       | 50,000   |
| Workmen Compensation Reserve | 15,000   | Goodwill        | 20,000   |
| Capital Accounts:            |          | Stock           | 30,000   |
| Vipul           80,000       |          | Cash at Bank    | 65,000   |
| Atul           86,000        |          |                 |          |
| Simon       83,000           |          |                 |          |
|                              | 2,49,000 |                 |          |
|                              | 3,75,000 |                 | 3,75,000 |

On 31<sup>st</sup> March, 2024, the firm was dissolved and the following transactions took place:

- Vipul took over 50% of the furniture at 10% discount and the remaining furniture was sold at 20% profit on book value.
- Creditors accepted stock at a discount of 5% and the balance in cash.
- Realisation expenses amounting to ₹ 1,500 paid by the firm.

**You are required to prepare the Realisation Account.**

**Question 9**

Yamuna Ltd. issued 90,000 equity shares of ₹ 10 each at a premium of ₹ 3 per share to the public, payable as:

₹ 2 on Application

₹ 6 on Allotment (including premium ₹ 3)

₹ 5 on First and Final Call

The issue was oversubscribed.

**Based on the information given above, the Cash Book (Bank Column) and the Journal of Yamuna Ltd., given below, you are required to do as directed:**

**Cash Book (Bank Column) (An extract)**

| Particulars                       | Amount (₹) | Particulars              | Amount (₹) |
|-----------------------------------|------------|--------------------------|------------|
| To Share Application A/c          | 2,50,000   | By Share Application A/c | 10,000     |
| To Share Allotment A/c            | ??         |                          |            |
| To Calls-in-Advance               | 3,000      |                          |            |
| To Share First and Final Call A/c | ??         |                          |            |

**Journal (an extract)**

| Date | Particulars                                                  | L.F. | Debit (₹) | Credit (₹) |
|------|--------------------------------------------------------------|------|-----------|------------|
|      | Share Application A/c                                        | Dr   | ??        |            |
|      | To Share Capital A/c                                         |      |           | 1,80,000   |
|      | To Share Allotment A/c                                       |      |           | ??         |
|      | (Being share application money transferred to Share Capital) |      |           |            |

|                                                                                                                                                                                                            |    |        |          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|--------|----------|
| Calls-in-Arrears A/c<br>To Share Allotment A/c<br>(Being allotment money not received from a shareholder who had applied for 3,200 shares)                                                                 | Dr | ??     | ??       |
| Calls-in-advance A/c                                                                                                                                                                                       | Dr | ??     |          |
| Calls-in-Arrears A/c<br>To Share First and Final Call A/c<br>(Being Call-in advance adjusted and First and Final Call money in arrears including from the shareholder who did not pay the allotment money) | Dr | 17,500 | 20,500   |
| Share Capital A/c                                                                                                                                                                                          | Dr | ??     |          |
| Securities Premium A/c<br>To Calls-in-Arrear A/c<br>To Share Forfeiture A/c<br>Being ?? shares of ₹ 10 each forfeited on which both Allotment and First and Final Call have not been received)             | Dr | ??     | ??<br>?? |

(i) Answer the following question related to Yamuna Ltd.:

1. On how many shares was the share application money adjusted towards share allotment? [1]
2. On how many shares was the First and Final Call received with Share Allotment? [1]
3. On how many shares was the First and Final Call *only* not received? [1]

(ii) Redraw the Cash Book filling in the missing information represented by '??'. [2]

(iii) Redraw the Journal filling in the missing information represented by '??'. [5]

OR

Regal Ltd. with an authorised capital of 1,00,000 Equity Share of ₹ 10 each, made a public issue of 70,000 equity shares at a premium of ₹ 2 per share payable:

₹ 2 on Application

₹ 4 on Allotment (including premium)

₹ 3 on First Call

The balance after some time.

Applications were received for 1,00,000 shares. The Board of Directors decided to refund the excess application money and thereafter allot the remaining shares.

During allotment, one shareholder holding 2,000 shares did not pay the allotment money while another shareholder holding 1,000 shares paid the entire amount due up to the second and final call.

Thereafter, the first call was made and after giving sufficient notice to the defaulting shareholder, the company decided to forfeit his 2,000 shares.

Subsequently, the company reissued 1,500 of the forfeited shares @ ₹ 11 each fully paid up @ ₹ 12 each.

You are required to:

- (i) Pass journal entries in the books of Regal Ltd. [8½]
- (ii) Prepare Calls-in Advance Account. [1½]

**Question 10**

(A) Salil, Mihir and Ali are partners in a firm.

Following are the particulars of their capital account, current account and drawings account for the year 2023-24.

| Particulars                                                | Salil (₹) | Mihir (₹) | Ali (₹)    |
|------------------------------------------------------------|-----------|-----------|------------|
| Capital Balances as on 1 <sup>st</sup> April, 2023         | 60,000    | 40,000    | 50,000     |
| Current Account Balances as on 1 <sup>st</sup> April, 2023 | 5,000     | 3,000     | 3,600 (Dr) |
| Drawings during the year                                   | 6,000     | 9,000     | 3,500      |
| Withdrawal from capital on 1 <sup>st</sup> July, 2023      |           |           | 8,000      |

According to their partnership deed:

- Profits and losses were to be shared in proportion to the capitals of the partners at the beginning of the year.
- Each partner to be entitled to withdraw up to ₹ 6,000 *out of his anticipated share of profits*. Any drawings in excess of this amount would be subject to interest @ 18% per annum.
- Interest on Capital to be allowed @ 6 % per annum.
- Interest on Current Account to be charged @ 5 % per annum.
- 10% commission on the trading profit before charging the partners' commission to be distributed amongst the partners in proportion to their capitals.

The trading profit of the firm for the financial year 2023-24 was ₹ 1,50,000.

The accountant distributed the profit *after* considering the appropriations but *before* considering any interest to be charged from the partners.

**You are required to prepare the Profit and Loss Appropriation Account of the firm as prepared by the accountant for the year 2023-24.** [7]

- (B) At the beginning of the next financial year, the accountant realised his error of not having charged interest from the partners. He rectified the error by passing a single adjustment entry. [3]

**You are required to give the rectified adjustment entry passed by the accountant. (Show your workings clearly)**

**OR**

- (A) On 1<sup>st</sup> April, 2023, Neha, Tara and Zoya entered into a partnership with capitals of ₹ 60,000, ₹ 50,000 and ₹ 30,000 respectively.

On 1<sup>st</sup> October, 2023, Tara gave a loan of ₹ 12,000 to the firm.

According to their partnership deed:

- Interest on capital to be allowed @ 5 % per annum to all the partners.
- Interest on drawings to be charged @ 4% per annum from all the partners.
- Working partners Neha and Zoya to get salaries @ ₹ 2,400 per annum and ₹ 2,500 per annum respectively.
- Tara to be entitled to a rent of ₹ 2,000 per annum for allowing the firm to carry on the business in her premises.
- Profits and losses to be shared in the ratio of 3:2:1 up to ₹ 90,000 and above ₹ 90,000 to be shared equally.

Neha withdrew ₹ 4,000 during the year while Zoya withdrew ₹ 1,000 at the end of every quarter.

Net Profit of the firm for the year ending 31<sup>st</sup> March, 2023, *before* any charges against profit, was ₹ 1,34,150.

**You are required to prepare the Profit and Loss Appropriation Account of the firm for the year 2023-24.** [7]

- (B) Amit, Sumit and Betty are partners in a firm sharing profits and losses in the ratio of 5:4:3. Sumit had guaranteed a profit of ₹ 40,000 to Betty. *The trading loss* of the firm for the year ending 31<sup>st</sup> March, 2024, was ₹ 1,32,000.

**You are required to pass the journal entries to record:**

- (i) The sharing of the loss by the partners. [1½]  
(ii) Sumit meeting his guarantee to Betty. [1½]

### SECTION B (20 Marks)

#### Question 11

In subparts (i) and (ii) choose the correct options and in subparts (iii) to (v) answer the questions as instructed.

- (i) An investment qualifies as cash-equivalent only when it has a maturity period of \_\_\_\_\_ from the date of its acquisition. [1]  
(a) one year or more  
(b) one month or less  
(c) three months or less  
(d) six months to one year
- (ii) The finance cost of a company includes: [1]  
P Interest on Debentures  
Q Underwriting Commission  
R Amortisation of intangible assets  
S Amortisation of discount on issue of debentures  
(a) Only P  
(b) Only P and Q  
(c) Only P, Q, and R  
(d) Only P, Q and S
- (iii) State whether the following would result in inflow / outflow / no flow of cash: [1]  
(a) Bills receivable endorsed to creditors  
(b) Old equipment written off
- (iv) For the year 2023-24, the net profit ratio of TCS Ltd. was 21.53%; the net profit being 43559 crores. [1]  
(Source: Annual Report of 2023-24 of TCS Ltd.)

**Give the formula used by the company to calculate the Net Profit Ratio.**

- (v) The unaudited financial results of Haryana Chemicals Leather Limited for the quarter ended 31<sup>st</sup> December, 2023, showed: [1]

| Particulars                                                                   | (₹) in lacs |
|-------------------------------------------------------------------------------|-------------|
| Cost of materials consumed                                                    | 727.95      |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | (42.75)     |

(Source: Financial Express, 11, February, 2024)

You are required to:

- Give the formula to calculate *cost of materials consumed*.
- On the basis of the formula of *change in inventories*, state the reason for Haryana Chemicals Leather Limited to have a negative change in inventories.

### Question 12

[3]

From the following particulars of Zebra Ltd., you are required to prepare a Common-size Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2024.

| Particulars                     |                     |
|---------------------------------|---------------------|
| Revenue from Operations         | ₹ 8,00,000          |
| Cost of Revenue from Operations | 5,60,000            |
| Employee Benefit Expenses       | 30% of Gross Profit |
| Tax                             | @ 40%               |

### Question 13

Answer *any three* of the following questions:

- (i) Calculate Operating Ratio (up to two decimal places) of Planet Ltd. from the particulars given below: [2]

| Particulars             | Amount (₹) | Particulars                         | Amount (₹) |
|-------------------------|------------|-------------------------------------|------------|
| Opening Inventory       | 85,000     | Carriage inwards                    | 6,000      |
| Closing Inventory       | 50,000     | Loss on sale of Plant               | 7,000      |
| Revenue from Operations | 4,00,000   | Depreciation                        | 14,000     |
| Purchases               | 2,25,000   | Employee benefit expense (salaries) | 10,000     |

- (ii) Calculate Trade Receivables Turnover Ratio of Hunter Ltd. (up to two decimal places) from the particulars given below: [2]

| Particulars                   |                                           |
|-------------------------------|-------------------------------------------|
| Cash Revenue from Operations  | 60% of Credit Revenue from Operations     |
| Total Revenue from Operations | ₹ 5,20,000                                |
| Closing Trade Receivables     | ₹ 80,000                                  |
| Opening Trade Receivables     | Three-fourth of Closing Trade Receivables |

- (iii) Calculate Debt-Equity Ratio of Zenith Ltd. (up to two decimal places) from the following information: [2]

| Particulars      | (₹)       |
|------------------|-----------|
| Total Debt       | 15,00,000 |
| Capital Employed | 14,60,000 |
| Current Assets   | 7,00,000  |
| Working Capital  | 1,80,000  |

- (iv) The national president of All India Consumer Products Distributors Federation said, "Contrary to the expectations, Diwali witnessed subdued enthusiasm of the consumers of the FMCG sector. Post-Diwali sales have historically been low. Particularly hard-hit segments are chocolates, confectionery and biscuits followed by beauty and cosmetics". The downturn has also increased the average closing stocks for distributors at 25 to 30 days from an average 7 to 15 days.

Source (edited): Economic Times, Mumbai Edition, 02, December, 2023

State, with reason, whether the following ratios of the FMCG distributors will increase / decrease / not change because of their increased average closing stocks.

(a) Quick Ratio

[1]

(b) Current Ratio

[1]

#### Question 14

From the following Balance Sheets of Venus Ltd, you are required to prepare a Cash Flow Statement (as per AS 3) for the year 2023-24. [6]

#### Balance Sheets of Venus Ltd.

As at 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023

|    | Particulars                                     | Note No. | 31.3.2024<br>(₹) | 31.3.2023<br>(₹) |
|----|-------------------------------------------------|----------|------------------|------------------|
| I  | <b>EQUITY AND LIABILITIES</b>                   |          |                  |                  |
|    | 1. Shareholders' Funds                          |          |                  |                  |
|    | (a) Share Capital (Equity Shares @10 each)      |          | 10,60,000        | 9,00,000         |
|    | (b) Reserves and Surplus (Statement of P/L)     |          | (90,000)         | 40,000           |
|    | 2. Non-Current Liabilities                      |          |                  |                  |
|    | Long-term Borrowings (5% Debentures)            |          | 8,40,000         | 7,00,000         |
|    | 3. Current Liabilities                          |          |                  |                  |
|    | (a) Trade Payable                               |          | 40,000           | 25,000           |
|    | (b) Short Term Provisions (Provision for tax)   |          | 22,000           | 37,000           |
|    | <b>TOTAL</b>                                    |          | <b>18,72,000</b> | <b>17,02,000</b> |
| II | <b>ASSETS</b>                                   |          |                  |                  |
|    | 1. Non-Current Assets:                          |          |                  |                  |
|    | Property, Plant & Equipment & Intangible Assets |          |                  |                  |
|    | (i) Property, Plant & Equipment                 |          | 10,00,000        | 12,00,000        |
|    | 2. Current Assets                               |          |                  |                  |
|    | (a) Trade Receivable                            |          | 6,00,000         | 4,00,000         |
|    | (b) Cash & Bank Balances (Cash at Bank)         |          | 2,72,000         | 1,02,000         |
|    | <b>TOTAL</b>                                    |          | <b>18,72,000</b> | <b>17,02,000</b> |

**Additional Information:**

- (i) On 1<sup>st</sup> April, 2023, Venus Ltd.:
- Purchased a machine costing ₹ 1,40,000 included in Property, Plant & Equipment, the purchase consideration being the issue of 1,400, 5% Debentures of ₹ 100 each.
  - Sold a machine costing ₹ 50,000 (accumulated depreciation thereon being ₹ 24,000) for ₹ 22,000.
- (ii) On 31<sup>st</sup> March, 2024, Venus Ltd. provided tax of ₹ 17,000.

**OR**

**Read the following information of PQR Ltd. and answer the questions that follow:**

**Balance Sheets of PQR Ltd. (extract)**

**As at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2024**

| Particulars                 | 31.03.2024 (₹) | 31.03.2023 (₹) |
|-----------------------------|----------------|----------------|
| Equity Share Capital        | 15,00,000      | 10,00,000      |
| Securities Premium          | ??             | .....          |
| 8% Debentures               | 4,00,000       | 3,00,000       |
| Dividend Payable            | 8,000          | 3,000          |
| Plant & Machinery (at cost) | 6,10,000       | 4,50,000       |
| 10% Investment              | 85,000         | 1,25,000       |

**Additional Information:**

- (a) During the year 2023-24, a machine having a book value of ₹ 32,000 (accumulated depreciation thereon being ₹ 22,000) was sold for ₹ 12,000.
- (b) Part of the investment was sold at a profit of ₹18,000 on 31<sup>st</sup> March, 2024.
- (c) Equity shares were issued on 1<sup>st</sup> April, 2023, at a premium of 10%.
- (d) 8% Debentures were issued on 1<sup>st</sup> October, 2023, at a discount of 10%.
- (e) Share issue expenses of ₹ 5,000 were paid in April, 2023 and written off at the end of the year.
- (f) Dividend of ₹ 1,15, 000 was paid by the company in April, 2023 after the shareholders approved the dividend declared by the Board of Directors in March, 2023.

**You are required to:**

- (i) Calculate the closing balance of Securities Premium Account as at 31<sup>st</sup> March, 2024, which is represented by '??' in the extract of the Balance Sheet given above. [1]
- (ii) Calculate the net flow of cash on 8% Debentures (including interest on debentures) at the end of the year 2023-24. [1]
- (iii) Prepare the Dividend Payable Account for the year 2023-24, showing the dividend declared by the Board of Directors in March, 2023 and approved by the Shareholders in their Annual General Meeting in April, 2023. [1]
- (iv) Calculate the Cash Flow from Investing Activities for the year 2023-24. [3]

## SECTION C (20 Marks)

### Question 15

In subparts (i) and (ii) choose the correct options and in subparts (iii) to (v) answer the questions as instructed.

- (i) Which one of the following refers to the correctness and completeness of the data in a database? [1]
  - (a) Data Integrity
  - (b) Data Security
  - (c) Data Constraint
  - (d) Data Independence
- (ii) In MS Excel, \_\_\_\_\_ is a type of graph that represents data or statistical information in a circular form. [1]
  - (a) Line chart
  - (b) Pie chart
  - (c) Radar chart
  - (d) Doughnut Chart
- (iii) State the use of Legends in a chart in MS Excel. [1]
- (iv) What is *filtering* in MS Excel? [1]
- (v) List *any one* attribute of the Products table of database that stores product details. [1]

### Question 16

[3]

- (i) What is *database transaction*? Give an example of it.
- (ii) What is the use of UPDATE command in SQL?

### Question 17

Answer *any three* of the following questions.

- (i) What is the utility of a Fill Handle in a spreadsheet? [2]
- (ii) Briefly explain Auto Filter in MS Excel. [2]
- (iii) What is meant by *transparent DBMS*? [2]
- (iv) State *any two* types of relationships in database. [2]

**Question 18**

The spreadsheet given below shows the sales of Cosmic Bricks Pvt. Ltd. made by four salesmen in the four quarters of the financial year 2023-2024:

|   | A        | B          | C     | D     | E     | F           | G              |
|---|----------|------------|-------|-------|-------|-------------|----------------|
| 2 | Salesman | SALES IN ₹ |       |       |       | Total Sales | Commission 10% |
|   |          | Qtr 1      | Qtr 2 | Qtr 3 | Qtr 4 |             |                |
| 3 | S1       | 1,000      | 2,000 | 6,000 | 4,000 |             |                |
| 4 | S2       | 500        | 4,000 | 1,500 | 3,000 |             |                |
| 5 | S3       | 2,000      | ??    | 4,000 | 5,000 |             |                |
| 6 | S4       | 4,000      | 1,000 | 2,000 | 3,000 | 10,000      |                |
| 7 | Total    |            |       |       |       |             |                |

Based on the above transactions and the information given in the spreadsheet, answer *any three* of the following questions:

- (i) Write the formula to calculate the cost of the goods sold by S1 in Qtr 3, if the salesman had sold the goods at a profit of 10% of the sales. [2]
- (ii) Write the formula to calculate the total sales made by S2. [2]
- (iii) In Qtr 2, S3 sold goods costing ₹ 4,400 at a loss of 10% of the sales. What is the selling price of the goods in cell C5? [2]
- (iv) The company gives a commission of 10% on its total sales. Write the formula to calculate the commission earned by S4 in cell G6. [2]