

Total No. of Questions – 32

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**Part – III**  
**COMMERCE, Paper – II**  
**(English Version)**

Time : 3 Hours]

[Max. Marks : 100

**PART-I (Marks-50)**

**SECTION – A**

**Note :** Answer any two of the following questions in not exceeding 40 lines each :  $2 \times 10 = 20$

1. Define banking. Explain the functions of the banking.
2. Explain the objectives and functions of SEBI.
3. Explain the redressal mechanism available to consumers under Consumer Protection Act, 1986.

**SECTION – B**

**Note :** Answer any four of the following questions in not exceeding 20 lines each :  $4 \times 5 = 20$

4. Explain any five characteristics of entrepreneurs.
5. Explain the types of entrepreneurs.
6. What is SEZ ? Explain their objectives.
7. What is Trade ? Various types of Home Trade.
8. What are the advantages of Life Insurance Policies ?
9. Distinction between primary and secondary market.

## SECTION - C

**Note :** Answer any five of the following questions in not exceeding 5 lines each :  $5 \times 2 = 10$

10. Explain any two functions of entrepreneur.
11. Explain meaning of entrepreneur.
12. Wholesaler
13. Double Insurance
14. Bonded Warehouses
15. SENSEX
16. Financial market
17. What is meant by consumer protection ?

## PART-II (Marks-50)

### SECTION - D

**Note :** Answer the following question :

$1 \times 20 = 20$

18. The Balance Sheet of Sarath and Sindhu as on 31-12-2015 who are sharing profits and losses in the ratio of 4 : 1 as follows :

**Balance Sheet**

Liabilities	Amount ₹	Assets	Amount ₹
Creditors	3,50,000	Cash at Bank	3,00,000
General Reserve	1,00,000	Debtors	2,00,000
Sarath's Capital	3,00,000	Stock	1,50,000
Sindhu's Capital	2,00,000	Land & Buildings	2,00,000
		Furniture	1,00,000
	<b>9,50,000</b>		<b>9,50,000</b>

They have agreed to admit Sameer under the following conditions :

- (1) Sameer has to bring a capital of ₹ 2,00,000 for his  $1/5^{\text{th}}$  share of profit.
- (2) Furniture and stock have to be depreciated by 10% and a reserve of 5% has to be created on debtors for bad debts.
- (3) Land and Building has to be appreciated by 20%.
- (4) Goodwill has to be raised by ₹ 80,000.

Prepare necessary Ledger Accounts and the Balance Sheet of the new firm.

## SECTION – E

**Note :** Answer any one of the following questions :

$1 \times 10 = 10$

19. Sai and Co., of China consigned 100 Radios to Deepthi and Co. The cost of each radio was ₹ 500. Sai and Co. paid insurance ₹ 500; Freight ₹ 800. Account sales was received from Deepthi and Co., showing the sale of 80 Radios at ₹ 600 each. The following expenses were deducted by them :

- (1) Carriage ₹ 20
- (2) Selling expenses ₹ 130
- (3) Commission ₹ 2,400

Sai and Co., received a bank draft for the balance due. Prepare important Ledger Accounts in the books of Deepthi and Co.

20. Prepare Income and Expenditure A/c of Tirupati Club from the following Receipts and Payments A/c for the year ending 31-12-2015.

Dr.	Receipts and Payments A/c		Cr.
Receipts	Amount (₹)	Payments	Amount (₹)
To Balance b/d	1,000	By Salaries	6,000
To Subscriptions (including ₹ 700 for 2016)	6,600	By Rent & Taxes	1,700
To Interest on investments	2,000	By Stationery	200
To Bank interest	550	By Postage	30
To Sale of Furniture	500	By Cycle purchase	1,800
		By Balance c/d	920
	10,650		10,650

**Adjustments :**

- (1) Rent paid included ₹ 200 for 2014.
- (2) Salaries payable ₹ 900.
- (3) Subscriptions received included ₹ 600 for the year 2014.
- (4) Subscriptions due for the year 2015. ₹ 400.
- (5) Cost of furniture sold ₹ 800.

## SECTION - F

**Note :** Answer any two of the following questions :

$2 \times 5 = 10$

21. Amar sold goods for ₹ 10,000 to Sunder on credit on 1<sup>st</sup> July, 2015. Amar draw a bill of exchange on Sunder for the same amount for three months. Sunder accepted the bill and returned it to Amar. Amar discounted the bill with his bank @ 10% per annum on the same day. Sunder met his acceptance on maturity.

Pass necessary Journal entries in the books of Amar.

22. Ranadheer & Co. purchased a machine for ₹ 60,000 on 1<sup>st</sup> January, 2015. Depreciation is calculated @ 10% on Straight Line method. On 1<sup>st</sup> April, 2017 the company sold the machine for ₹ 36,000.

Prepare Machinery Account assuming that the accounts are closed on 31<sup>st</sup> December every year.

23. Mr. Ravi maintain his books on single entry method. He gives you the following information :

Capital on 01-04-2015	₹ 20,000
Drawings during the year	₹ 8,000
Capital on 31-3-2016	₹ 22,000
Fresh capital during the year	₹ 6,000

Prepare the Statement of Profit or Loss.

24. Explain the advantages of computerised accounting.

## SECTION - G

**Note :** Answer any five of the following questions not exceeding 5 lines each :  $5 \times 2 = 10$

25. Days of Grace.
26. Rate of Depreciation formula.
27. Additional commission or overriding commission.
28. Special Donations.
29. Ready-to-use.
30. What is Equity shares ?
31. Any two advantages of single entry system.
32. Akshay and Bharat are partners sharing profits in the ratio of 3 : 2. They admit Dinesh as a new partner for  $\frac{1}{5}$ <sup>th</sup> share with future profits of the firm. Calculate new profit sharing ratio of Akshay, Bharat and Dinesh.