

**258**  
**TS**



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 not exceeding 40 lines each : **2 × 10 = 20**

1. What is advertising ? Explain the need and importance of advertising.
2. Define Insurance and discuss the principles of Insurance.
3. Define Stock Exchange. Explain the functions of Stock Exchange.

**SECTION – B**

**Note :** Answer any **four** of the following questions not exceeding 20 lines each : **4 × 5 = 20**

4. Explain the advantages of Foreign Trade.
5. What is Tele marketing ? Explain the advantages of Tele marketing.
6. What are the main objectives of Consumer Protection Act ?
7. Briefly explain the road transport and write any five advantages of road transport.
8. Mention various types of operators of Stock Exchange.
9. What are the characteristics of computer ?

### SECTION – C

**Note :** Answer any **five** of the following questions not exceeding **5** lines each :

**5 × 2 = 10**

10. What is meant by letter of credit ?
11. What is ISI mark ?
12. What are the types of wholesalers ?
13. What is E-Banking ?
14. Write any two advantages of warehouses.
15. What is whole life policy ?
16. What is Sensex ?
17. What is E-mail ?

### PART-II (Marks-50)

#### SECTION – D

**Note :** Answer the following question :

**1 × 20 = 20**

18. Sindhu & Indu are partners sharing profits & losses in the ratio of 3 : 2. Their Balance Sheet as on 31-12-2012 was as under :

**Balance Sheet**

Liabilities	Amount ₹	Assets	Amount ₹
Sundry Creditors	2,00,000	Cash	2,00,000
Bills payable	1,50,000	Sundry Debtors	2,00,000
General Reserve	1,00,000	Stock	3,00,000
<u>Capitals :</u>		Furniture	1,00,000
Sindhu – 4,00,000		Machinery	1,00,000
Indu – 3,00,000	7,00,000	Land, Buildings	2,50,000
	<b>11,50,000</b>		<b>11,50,000</b>

They decided to admit Bindhu into partnership by giving  $\frac{1}{4}$ <sup>th</sup> share in the future profits on the following conditions :

- (1) Bindhu is to bring ₹ 2,50,000 as capital and ₹ 1,00,000 as goodwill in cash.
- (2) Furniture is to be depreciated by 10%.
- (3) Make a provision of 5% for doubtful debts on sundry debtors.
- (4) Land, Buildings are to be appreciated by 20%.

Prepare necessary ledger accounts and show the new balance sheet.



## SECTION – E

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

**1 × 10 = 10**

19. On January 15, 2010 Hima of Hyderabad sent 400 Bicycles to be sold on consignment to Madhavi of Mumbai. The cost of each Bicycle is ₹ 1,000. Hima paid carriage and other expenses amounted to ₹ 6,000. Hima received the following account sales.

15<sup>th</sup> March, 150 Bicycles were sold at ₹ 1,300 per Bicycle and

10<sup>th</sup> April, 150 Bicycles were sold at ₹ 1,500 per Bicycle. The commission on sales is 5% and expenses paid by Madhavi are ₹ 5,200 and the balance is received by draft. Prepare necessary ledger accounts in the books of Hima.

20. From the following information, prepare Income & Expenditure account of Hyderabad Sports Club, for the year ended 31-12-2010.

Dr.	Receipts and Payments account.		Cr.
Receipts	Amount ₹	Payments	Amount ₹
To Cash balance	500	By Salaries	2,000
To Bank balance	1,500	By Grass cutting machine	2,000
To Subscriptions	19,500	By Rent	900
To Tournament fund	5,000	By Games expenses	7,000
To Life membership fee	3,000	By Tournament expenses	2,000
To Entrance fee	500	By Office expenses	4,500
To Donations for Building	5,000	By purchase of sports material	3,000
To Sale of grass	400	By balance : Cash	1,500
		Bank	12,500
	<b>35,400</b>		<b>35,400</b>

**Other Information :**

- (1) Outstanding subscriptions as on 31-12-2010 were ₹ 2,000.
- (2) Provide ₹ 200 depreciation on Grass cutting machine.
- (3) Sports material opening balance ₹ 2,000  
and closing balance ₹ 2,500.

## SECTION – F

Note : Answer any two of the following questions :

2 × 5 = 10

21. Explain the differences between the Receipts & Payments Account and the Income & Expenditure Account.
22. On 1<sup>st</sup> January, 2011 'X' sold goods to 'Y' for ₹ 6,000 and draws a bill on 'Y' payable after 3 months. After securing Y's acceptance X discounted the bill on 1<sup>st</sup> February, 2011 at 12% p.a. On the due date the bill is dishonoured. Pass necessary Journal Entries in the books of 'X'.
23. Rama & Co. purchased a second hand machine for ₹ 48,000 on 1<sup>st</sup> January, 2010. They spent ₹ 2,000 on the repairs there of and installed the same. Depreciation is written off at 10% p.a. on the straight line method. On 30<sup>th</sup> June 2012 the machinery was found to be unsuitable and sold for ₹ 26,000. Prepare machinery account from 2010 to 2012 assuming that the accounts are closed on 31<sup>st</sup> December every year.
24. Mr. Narayana maintain his books on single entry method. He gives you the following information :  
Capital on 1-4-2010 ₹ 50,000  
Capital on 31-3-2011 ₹ 56,000  
Drawings during the year ₹ 10,000  
Fresh capital during the year ₹ 5,000  
You are required to calculate the profit or loss made by Mr. Narayana.

## SECTION – G

Note : Answer any five of the following questions :

5 × 2 = 10

25. What is Noting charges ?
26. What is reducing balance method ?
27. What is Del credere Commission ?
28. What is capital expenditure and give two examples.
29. Calculate the profit or loss of a trader  
Capital at the beginning of the year ₹ 8,900  
Capital at the end of the year ₹ 10,200
30. Write the methods of preparing capital accounts in partnership business.
31. A, B are partner sharing profits & losses in the ratio of 2 : 3. They have admitted C into partnership by giving 1/4<sup>th</sup> share in future profits. Calculate the new profit sharing ratio.
32. Write the formula for calculating sacrificing ratio.