

Total No. of Questions - 32

Total No. of Printed Pages - 4

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Part - III
COMMERCE, Paper - I
(English Version)

Time : 3 Hours**Max. Marks : 100**

PART - I
(Marks 50)

SECTION - A**2 × 10 = 20**

Answer any two of the following questions not exceeding 40 lines each.

1. Explain any five merits and five demerits of Sole Proprietorship.
2. Explain the features of Joint Stock Companies.
3. What is Business Finance? What are the various factors that determine the selection of sources of finance?

SECTION - B**4 × 5 = 20**

Answer any four of the following questions not exceeding 20 lines each.

4. Explain various types of Industries.
5. Explain the features of partnership firm.
6. Explain any five advantages of equity shares.
7. Differentiate between a share and a debenture.
8. Explain the disadvantages of MNCs for the host country.
9. Define e-business. Explain any four benefits of e-business to consumers.

SECTION - C**5 × 2 = 10**

Answer any five of the following questions not exceeding 5 lines each.

10. Define Business.
11. What is entrepot trade?
12. Define cooperative society.
13. Who is 'Karta'?

14. What is Memorandum of Association?
15. Define promotion.
16. What is preference share?
17. Define medium enterprises.

PART - II
(Marks 50)
SECTION - D

$1 \times 20 = 20$

Answer the following question.

18. From the following Trial Balance of Mr. Paramesh, prepare the Trading Account, Profit and Loss Account and Balance Sheet for the year ended 31.03.2016.

Trial Balance as on 31.03.2016

Particulars	Debit balance Rs.	Particulars	Credit balance Rs.
Purchases	76,000	Sales	1,45,000
Sales returns	3,200	Purchase returns	2,500
Wages	5,300	Creditors	62,000
Salaries	24,500	Bank overdraft	13,000
Insurance	4,500	Bills payable	40,000
Machinery	80,000	Capital	1,20,000
Furniture	45,000		
Cash at bank	31,300		
Opening stock	22,000		
Bills receivable	29,000		
Debtors	50,000		
Audit fees	1,500		
Carriage inwards	1,800		
Carriage outwards	2,800		
Office expenses	5,600		
Total	3,82,500	Total	3,82,500

Adjustments :

- i) Closing stock Rs. 34,500/-.
- ii) Outstanding salaries Rs. 5,500/-.
- iii) Depreciate machinery by 5%.
- iv) Prepaid insurance Rs. 1500/-.
- v) 5% provision is to be made for bad debts on debtors.

SECTION - E**1 × 10 = 10**

Answer any one of the following questions.

19. Prepare a three-column cashbook from the following transactions :

		₹
2016,	1 Cash in hand	12,000
November	Cash at bank	18,000
	3 Cash sales	6,000
	8 Cash received from Madhu	5,800
	Discount allowed	200
	14 Cheque issued to Hari	9,600
	Discount received	400
	21 Paid commission	500
	23 Cheque received from Govind	3,500
	Discount allowed	500
	25 Govind's cheque is deposited into bank	
	26 Purchased furniture	2,000
	28 Withdrawn cash from bank for office use	5,000
	30 Salaries paid by cheque	1,000

20. From the following information prepare a Bank Reconciliation Statement of M/s. Narayana Agro Industries as on December 31st 2016.

- Bank balance as per cashbook ₹ 40,000.
- Cheque issued but not presented for payment ₹ 15,000.
- Cheques deposited into bank but not credited upto December 31st 2016 ₹ 8,000.
- Interest on investment ₹ 3,000 was collected and credited by bank but no entry is made in the cashbook.
- Bank charges debited in the passbook only ₹ 200.

SECTION - F**2 × 5 = 10**

Answer any two of the following questions.

21. Explain the different types of accounts along with their debit, credit rules.

22. Prepare Prasad account from the following particulars :

		₹
2016	1 Goods purchased from Prasad	30,000
March	6 Cash paid to Prasad	15,000
	10 Goods returned to Prasad	1,000
	14 Paid to Prasad by cheque	10,000
	26 Goods purchased from Prasad for cash	2,500
	28 Furniture purchased from Prasad on credit	8,000

23. Prepare sales book and sales return book from the following particulars.

			₹
2016	1	Sold goods to Vijay	5,000
August	5	Sold goods to Ramu	8,000
	13	Return Inwards from Vijay	400
	22	Sold goods to Ganesh	10,000
		(Trade discount 10%)	
	28	Return Inwards from Ramu	500

24. Rectify the following errors which are found after the preparation of trial balance.

- Purchase book over cost by ₹ 400.
- Credit side of Dilip account over cost by ₹ 200.
- Goods sold to Rajesh for ₹ 296 was posted to his account as ₹ 269.
- ₹ 350 received from Sharath has been posted to the debit side of his account.
- Sales book was over cost by ₹ 500.

SECTION - G

5 × 2 = 10

Answer any five of the following questions.

25. Define Accounting.

26. What is business entity concept?

27. Journalize the following transactions.

2016	1	Started business with cash	₹	25,000
April	8	Purchased goods from Kiran on credit	₹	5,000
	12	Purchased Machinery	₹	12,000
	25	Paid salaries	₹	6,000

28. What is Invoice?

29. Write the opening entry as on 01.04.2016 from the following particulars.

Cash in hand	₹ 3,000	Sundry creditors	₹ 6,000
Machinery	₹ 10,000	Furniture	₹ 8,000
Stock	₹ 5,000	Bills payable	₹ 2,000
Sundry Debtors	₹ 4,000		

30. Prepare Trial Balance from the following balances.

Capital	₹ 20,000	Bills receivable	₹ 9,000
Purchases	₹ 18,000	Sales returns	₹ 1,000
Sales	₹ 10,000	Furniture	₹ 5,000
Bills payable	₹ 3,000		

31. What is suspense account?

32. What is revenue expenditure?