

Total No. of Questions- 32

Total No. of Printed Pages- 4

Regd. No.

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Part III
COMMERCE
Paper I
(English Version)

Time : 3 Hours

Max. Marks : 100

Part-I
Marks-50
SECTION-A

Answer ANY TWO of the following questions in not exceeding 40 lines each : 2×10=20

1. Define sole proprietorship and discuss its merits and demerits.
2. What is Memorandum of Association ? Explain its clauses.
3. Examine the advantages and disadvantages of raising funds by issuing equity shares.

SECTION B

Answer ANY FOUR of the following questions in not exceeding 20 lines each : 4×5=20

4. What is foreign trade ? Explain the types of foreign trade.
5. Define partnership and state its important features.
6. What are the various factors that determine the selection of sources of finance ?
7. What are the sources of short term finance ?
8. Define MNC and explain its features.
9. What are the benefits of e-business to customers ?

SECTION C

Answer ANY FIVE of the following questions in not exceeding 5 lines each : 5×2=10

10. Profession
11. What is Commerce ?
12. Karta
13. Active Partner
14. What is a Government Company ?
15. Minimum subscription.
16. Working capital
17. Define manufacturing enterprise.

Part-II
Marks-50
SECTION-D

Answer the following question :

1×20=20

18. From the following Trial Balance of Mr. Karunasai, prepare Trading and Profit & Loss A/c and Balance Sheet for the year ended 31-3-2017 :

Trial Balance

Debit Balances	Amount (Rs.)	Credit Balances	Amount (Rs.)
Purchases	76,000	Sales	1,47,500
Sales Returns	3,200	Creditors	62,000
Wages	5,300	Bank overdraft	13,000
Salaries	24,500	Bills payable	40,000
Insurance	4,500	Capital	1,20,000
Machinery	80,000		
Furniture	45,000		
Cash at bank	31,300		
Opening stock	22,000		
Bills receivable	29,000		
Debtors	50,000		
Audit fees	1,500		
Carriage	1,800		
Carriage on sales	2,800		
Office expenses	5,600		
	3,82,500		3,82,500

Adjustments :

- (1) Closing stock Rs. 34,500
- (2) Outstanding salaries Rs. 5,500
- (3) Depreciation on machinery 5%
- (4) Prepaid Insurance Rs. 1,500
- (5) Provide Reserve for Bad debts 5%.

SECTION E

Answer ANY ONE of the following questions.

1×10 =10

19. Prepare three column Cash Book from the following particulars :

2017		Rs.
June 1	Cash in hand	11,000
	Cash at Bank	20,000
June 5	Cash Sales	1,900
June 7	Issued cheque to Satya	1,800
	Discount received	200
June 8	Received cash from Raju	1,500
	Cheque	350
	Discount allowed	150
	(Cheque deposited into Bank)	
June 16	Cash withdrawn from Bank for office use	550
June 20	Salaries paid by cheque	400
June 22	Cash purchases	600
June 28	Paid into bank	800

20. Prepare Bank Reconciliation Statement of M/s PKJ Ltd. as on 31-12-2016 :

- (a) Balance as per pass book Rs. 12,600
- (b) Cheques deposited in bank but not collected Rs. 4,200
- (c) Cheques issued but not presented for payment Rs. 3,600
- (d) Bank paid insurance premium Rs. 3,000
- (e) Bank charges Rs. 350
- (f) The debtor paid directly into bank account Rs. 2,400.

SECTION F

Answer ANY TWO of the following questions.

2×5=10

21. Explain the advantages of double entry system.
22. From the following information, prepare Srinivas Account as on 31-3-2016 :

2016		Rs.
March 1	Balance due from Srinivas	3,500
March 7	Sold goods to Srinivas	1,500
March 10	Purchased goods from Srinivas	1,000
March 15	Paid cash to Srinivas	800
March 23	Received cash from Srinivas	500
March 25	Returned goods to Srinivas	200

23. From the following particulars, prepare sales and sales return journal :

	Rs.
2016	
Jan. 4 Sold goods to Sanjana	3,000
Jan. 5 Sold goods to Karthik traders	18,400
Jan. 8 Goods returned from Sanjana	400
Jan. 10 Sold goods to Ananya	5,600
Jan. 13 Return inwards from Karthik traders	3,000
Jan. 15 Sold goods to Puneet	17,200
Jan. 18 Goods sold to Navitha	4,800

24. What are the errors disclosed by Trial Balance ?

SECTION G

Answer ANY FIVE of the following questions :

5×2=10

25. What is Book-keeping ?
26. Explain business entity concept of Accounting.
27. Credit note.
28. Explain error of omission.
29. Capital expenditure.
30. Journalise the following transactions :

	Rs.
2016	
Jan. 1 Commenced business with cash	40,000
Jan. 2 Sold goods to Nitin	5,000
Jan. 3 Purchased stationery	1,000
Jan. 4 Rent paid	2,500

31. Write the Opening Journal Entry as on 1-1-2017 :

	Rs.
Cash in hand	2,500
Sundry Debtors	10,000
Stock	5,000
Machinery	7,500
Creditors	5,000
Bills payable	2,500

32. Prepare Trial Balance of Trithi as on 31-12-2016 :

	Rs.
Capital	7,500
Cash at Bank	12,700
Sales	15,500
Furniture	6,000
Cash in hand	2,300
Creditors	2,000
Debtors	4,000