

Instructions:

- Question No. 1 is compulsory.
- Attempt ANY 3 questions from Question no. 2 to Question no. 6.
- Each question carries 20 marks.
- Mention working note required wherever necessary.

Q1. Following is the trial balance extracted from the books of Syska Ltd. for the year ended 31st March 2019.
(20 Marks)

Particulars	Debit ₹	Credit ₹
Debenture Interest	80,000	
Purchase of stock in trade	89,000	
Wages	75,000	
Salaries	1,42,800	
Purchase of raw material	4,12,000	
Stock of materials on 1.4.2018	24,500	
Rent rates and taxes	13,000	
Travelling expenses	11,000	
Repairs	2,500	
Printing and stationery	5,400	
Sales		10,91,000
Interest on government securities		3,600
Bad debts	2,200	
Interest on bank loan	5,600	
Postage and telephone expenses	4,300	
Sundry expenses	3,100	
Contribution to Provident Fund	32,000	
Building	4,50,000	
Machinery	6,02,000	

Prepare Profit and Loss A/c for the year ended 31st March 2019 as per the Schedule III of Companies Act 2013 after taking into consideration following adjustments:

1. Depreciation to be provided at 5% on building and 10% on machinery.
2. Provide for income tax at 50% of net profit.
3. Closing stock of materials was ₹ 30,100.

Q2. Following is the Balance sheet of TCS Ltd. as on 31st March 2020. (20 Marks)

Balance sheet as on 31st March 2020

Liabilities	₹	Assets	₹
Equity Share capital	4,00,000	Land and Building	6,00,000
Preference share capital	5,00,000	Machinery	3,00,000
General Reserve	3,00,000	Investments	4,00,000
Profit and loss A/c (Cr)	60,000	Stock	1,50,000
12% Debentures	2,40,000	Debtors	5,00,000
Creditors	6,00,000	Bills receivable	2,50,000
Bills payable	1,60,000	Loose tools	20,000
Outstanding expenses	40,000	Cash	80,000
	23,00,000		23,00,000

Prepare Common Size Balance Sheet from the above information in vertical form.

Q3. Following is the Trading and Profit and Loss A/c of TVS Ltd. for the year ended 31st March 2015 and 2016. (20 Marks)

Trading and Profit & Loss A/c for the year ended 31st March 2015 & 2016

Particulars	2015 ₹	2016 ₹	Particulars	2015 ₹	2016 ₹
To opening stock of materials	1,25,000	1,50,000	By sales	2,50,000	4,00,000
To purchase of material	2,00,000	4,00,000	By closing stock of materials	1,50,000	2,90,000
To carriage inward	10,000	30,000			
To gross profit c/d	65,000	1,10,000			
	4,00,000	6,90,000		4,00,000	6,90,000
To salaries	25,000	40,000	By gross profit b/d	65,000	1,10,000
To wages	5,000	8,000	By interest	5,000	10,000
To office expenses	3,500	7,000			
To sundry expenses	4,000	6,000			
To income tax	7,500	10,000			
To Net profit	25,000	49,000			
	70,000	1,20,000		70,000	1,20,000

Prepare Comparative Income Statement from the above information in vertical form.

Q4. Following are the Balance sheet of ACC Cement Ltd. as on 31st March 2017 and 2018.

Liabilities	2015 ₹	2016 ₹	Assets	2015 ₹	2016 ₹
Share capital	6,00,000	7,00,000	Building	7,00,000	8,00,000
Reserves & surplus	2,20,000	3,20,000	Machinery	3,20,000	4,00,000
Provision for income tax	25,000	32,000	Accounts receivable	40,000	60,000
Debentures	1,50,000	2,20,000	Copyrights	60,000	80,000
Long term loans	2,00,000	1,80,000	Inventories	30,000	35,000
Accounts payable	50,000	70,000	Prepaid expenses	25,000	32,000
Other current liabilities	30,000	40,000	Cash	1,00,000	1,55,000
	12,75,000	15,62,000		12,75,000	15,62,000

You are required to calculate the following ratios for the two years. (20 Marks)

1. Debt-equity ratio
2. Current ratio
3. Liquid ratio
4. Proprietary ratio

Q5.

- a) Following information extracted from the books of Green Orient Company, prepare Balance Sheet in vertical form as per the schedule III of companies Act 2013: (10 Marks)

Liabilities	₹	Assets	₹
Equity Share capital	8,00,000	Furniture	9,50,000
Preference share capital	5,00,000	Trademarks	3,00,000
Securities premium	75,000	Equipment	3,50,000
12% Debentures	3,20,000	Stock	45,000
Creditors	80,000	Debtors	1,40,000
Bills payable	45,000	Bills receivable	35,000
	18,20,000		18,20,000

- b) Following is the Revenue statement of Visagar Ltd. for the year ending 31st March 2016: (10 Marks)

Trading and Profit and Loss A/c for year ended 31st March 2016.

Particulars	₹	Particulars	₹
To opening stock of material	55,000	By sales	5,50,000
To purchase of material	3,20,000	By closing stock of material	30,000
To carriage inward	5,500		
To wages	30,000		

To gross profit c/d	1,69,500		
	5,80,000		5,80,000
To office expenses	15,000	By gross profit b/d	1,69,500
To distribution expenses	8,500		
To salaries	46,000		
To net profit	1,00,000		
	1,69,500		1,69,500

You are required to calculate:

1. Gross Profit ratio
2. Net Profit ratio
3. Stock Turnover ratio

Q6. The following records has been extracted from the books of WD Ltd. for the year ended 31st December 2017 and 31st December 2018.

(20 Marks)

Particulars	2017 ₹	2018 ₹
Cash	4,300	5,800
Prepaid expenses	200	200
Debtors	8,000	9,000
Stock	3,200	4,000
Investments (long term)	5,000	3,000
Machinery (at cost)	2,500	4,000
Building (at cost)	7,500	9,000
Land	1,000	1,000
	31,700	31,700
Accumulated depreciation on Machinery	300	750
Accumulated depreciation on Building	1,200	1,800
Creditors	3,300	4,000
Outstanding expenses	350	450
Debentures	4,000	3,500
Equity share capital	20,000	20,000
Profit and Loss A/c	2,350	5,200
Provision for doubtful debts	200	300
	31,700	31,700

Additional information:

1. Dividend paid during 2018 was ₹ 2,650.
2. Investment costing ₹ 2,000 were sold in 2018 for ₹ 2,500.
3. Machinery costing ₹ 500 on which ₹ 100 depreciation has been accumulated was sold for ₹ 600 in the year 2018.

Prepare Cash Flow statement for the year 2018.