

KENDRIYA VIDYALAYA SANGATHAN JAMMU REGION

PRE-BOARD I EXAMINATION 2025-26      SET NO. I

Class: XII

Max. Marks: 80

Subject: Accountancy

Time allowed: 3 Hrs

**INSTRUCTIONS:**

1. This question paper contains 34 questions. All questions are compulsory.
2. This question paper comprises of two PARTS – Part A and Part B.
3. Questions from 1 to 16 and 27 to 30 carry 1 mark each
4. Questions 17 to 20, 31 and 32 carry 3 marks each
5. Questions 21,22 and 33 carry 4 marks each.
6. Questions from 23 to 26 and 34 carry 6 marks each.
7. There is an internal choice in 7 questions of one mark, 2 questions of three marks, 1 question of four marks and 2 questions of six marks each.

Q. No.	QUESTIONS	Marks
	<b>PART A</b> <b>(Accounting for Partnership firms and Companies)</b>	
1	<p>A and B are partners in partnership firm without any agreement. A has given a loan of Rs.50,000 to the firm. At the end of year loss was incurred in the business. Following interest may be paid to A by the firm</p> <p>(A) @5% Per Annum                      (B) @ 6% Per Annum                      (C) @ 6% Per Month                      (D) As there is a loss in the business, interest can't be paid</p> <p>OR</p> <p>Assertion (A): Rent to a partner is transferred to the debit of profit and loss account but is not transferred to the debit of profit and loss appropriation account.</p> <p>Reason (R): Rent to a partner is an expense that is a charge against profits and not an appropriation of profit. Hence, it is transferred to the debit of the profit and loss account.</p> <p>(a) Assertion (A) and Reason (R) are correct and Reason (R) is the correct explanation of Assertion (A).                      (b) Assertion (A) and Reason (R) are correct but Reason (R) is not the correct explanation of Assertion (A).</p>	1

	(c) Assertion (A) is correct but Reason (R) is not correct. (d) Assertion (A) is not correct but Reason (R) is correct.	
2	<p>Sujal, Manvi, and Beeru are partners in a firm sharing profits and losses in the ratio of 2: 2: 1. The balances of their fixed capital accounts on 1st April, 2023, were: Sujal Rs.1,00,000, Manvi Rs.1,00,000 and Beeru Rs.80,000. After the accounts for the year ended 31st March, 2024, were prepared, it was discovered that interest on capital @ 10% per annum had been credited to the Partners' Current Accounts even though it was not provided in the partnership deed. The error in Sujal's Capital Account/Current Account will be rectified by</p> <p>(a) Debiting his Capital Account with Rs.1,200. (b) Crediting his Current Account with Rs.1,200. (c) Debiting his Current Account with Rs.1,200. (d) Crediting his Capital Account with Rs.1,200.</p>	1
3	<p>The directors of Neelkamal Ltd. forfeited 70,000 equity shares of Rs.10 each, Rs.10 called-up, for non-payment of final call of Rs.1 per share. Half of the forfeited shares were reissued at Rs.20 per share Fully Paid. On reissue of forfeited shares, the following amount will be transferred to the Capital Reserve Account:</p> <p>(a) Rs.70,000 (b) Rs.1,40,000 (c) Rs.42,000 (d) Rs.3,15,000</p> <p>OR</p> <p>If 10,000 shares of Rs.10 each were forfeited for non-payment of final call money of Rs.3 per share and only 7,000 of these shares were reissued @ Rs.11 per share as fully paid-up, then what is the minimum amount that company must collect at the time of reissue of the remaining 3,000 shares?</p> <p>(a) Rs.21,000 (b) Rs.9,000 (c) Rs.16,000 (d) Rs.30,000</p>	1
4	<p>Aspire Ltd. issued a prospectus inviting applications for 13,000 shares of Rs.10 each payable Rs.3 on application, Rs.5 on allotment and balance on call. Public had applied for certain number of shares and application money was received. Which of the following application money, if received restricts the company to proceed with the allotment of shares, as per SEBI guidelines?</p> <p>(a) Rs.39,000</p>	1

	<p>(b) Rs.45,000 (c) Rs.35,100 (d) Rs.32,000 OR Vaani Limited issued 5,000 12% debentures of Rs.100 each at a premium of 10%. Raghav had underwritten the lot at a commission of 5%. What will be the underwriting commission? (a) Rs.27,500 (b) Rs.25,000 (c) Rs.25,500 (d) Rs.26,000</p>	
5	<p>X and Y are partners sharing profits and losses in the ratio of 3:2. They admit Z into partnership with 1/5th share in profits which he acquires equally from A and Y. Z brings in ₹40,000 as goodwill in cash. Goodwill amount will be credited to: (a) X ₹20,000; Y ₹20,000 (b) X ₹25,000; Y ₹15,000 (c) X ₹24,000; T ₹16,000 (d) X ₹4,000; Y ₹4,000</p>	1
6	<p>Goodwill is not accounted in the books if: (a) it is a purchased goodwill. (b) it is a self-generated goodwill. (c) it is decided to be accounted by the partners. (d) its amount is paid by the gaining partner</p>	1
7	<p>What will be the amount of interest on drawings of the partners? (a) Rumi Rs.2,250; Devi Rs.4,500 and Simi Rs.2,100. (b) Rumi Rs.9,000; Devi Rs.9,000 and Simi Rs.4,200. (c) Rumi Rs.4,500; Devi Rs.4,500 and Simi Rs.2,100. (d) Rumi Rs.24,000; Devi Rs.12,000 and Simi Rs.16,800.</p>	1
8	<p>On the death of a partner, the amount due to him will be credited to (a) All partner's Capital Accounts (b) Remaining partner's Capital Accounts (c) His Executor's Account (d) Governments' Revenue Account OR Ram, Sham and Mohan are partners in 3 : 4 : 2. Sham wants to retire from the firm. The profit on revaluation on that date was ₹36,000. New ratio of A and C is 5 : 3. Profit on revaluation will be distributed as : (a) Ram ₹16,000; Sham ₹12,000; Mohan ₹8,000 (b) Ram ₹12,000; Sham ₹16,000; Mohan ₹8,000</p>	1

	(c) Ram ₹22,500; Mohan ₹13,500 (d) Ram ₹23,625; Mohan ₹12,375	
9	On dissolution of the firm, partner's capital accounts are closed through: (a) Realisation Account (b) Drawings Account (c) Bank Account (d) Loan Account.	
10	X and Z were partners in a firm with capitals of Rs. 45,000 each. They admitted Y as a new partner for $\frac{1}{3}$ <sup>rd</sup> share in the profits of the firm. Y brought Rs. 60,000 as his capital. Based on Y's share in the profits of the firm and his capital contribution, the goodwill of the firm will be: (a) Rs. 1,80,000 (b) Rs. 1,50,000 (c) Rs. 30,000 (d) Rs. 90,000 OR S and T were partners in a firm sharing profits and losses in the ratio of 3:2. They admitted U as a new partner in the firm. On U's admission there existed a provision for bad and doubtful debts of Rs. 7,000. It was decided to write off Rs.3,000 as bad debts. The remaining debtors were considered as good. The amount to be debited/credited to Revaluation Account on account of the above treatment will be: (a) Debit Rs. 3,000 (b) Credit Rs.4,000 (c) Debit Rs.7,000 (d) Debit Rs.4,000	1
11	Assertion (A): If there are Eight partners in a firm, a new partner cannot be admitted even if one partner does not agree to this. Reason (R): A new partner can be admitted if majority of partners agree on his admission. In the context of the above two statements, which of the following is correct? (A) (A) and (R) both are correct and (R) correctly explains (A). (B) Both (A) and (R) are correct but (R) does not explain (A). (C) Both (A) and (R) are incorrect. (D) (A) is correct but (R) is incorrect	1
	Varun Ltd. was a profit-making organisation. They decided to expand their business. So, Varun Ltd. took over Assets of Rs.10,00,000 and liabilities of Rs.1,80,000 of Cayns Ltd. for Rs. 7,60,000. Varun Ltd. issued 9% Debentures of Rs.100 each at a discount of 5% in full satisfaction of the purchase consideration in favour of Cayns Ltd.  On the basis of above paragraph answer the Q.No 12 to 14:	1

12	<p>What will be the amount of Capital Reserve</p> <p>(a) Rs.1,00,000</p> <p>(b) Rs.80,000</p> <p>(c) Rs.60,000</p> <p>(d) Rs. 40,000</p>	
13	<p>What will be the number of Debentures to be issued to Cayns Ltd.?</p> <p>(a) 7,600</p> <p>(b) 8,000</p> <p>(c) 10,000</p> <p>(d) None of the above</p>	1
14	<p>In the above case from where amount of discount on issue of Debentures will be written off</p> <p>(a) General Reserve</p> <p>(b) Securities Premium Reserve</p> <p>(c) Statement of profit and Loss</p> <p>(d) None of the above</p>	1
15	<p>On the day of dissolution of the firm 'Sharma Brothers' had partner's capital amounting to Rs. 1,50,000, external liabilities Rs. 35,000, Cash balance Rs. 8,000 and P &amp; L A/c (Dr.) Rs. 7,000. If Realisation expense and loss on Realisation amounted to Rs. 5,000 and Rs. 25,000 respectively, the amount realised by sale of assets is -----</p> <p>(a) Rs. 1,64,000</p> <p>(b) Rs. 1,45,000</p> <p>(c) Rs. 1,57,000</p> <p>(d) Rs. 1,50,000</p>	1
16	<p>Assets are revalued and liabilities are reassessed at the time of change in profit-sharing ratio so that:</p> <p>(a) assets and liabilities are shown at their present values.</p> <p>(b) gaining partner is not put to an advantage and sacrificing partner is not put to disadvantage and vice versa.</p> <p>(c) Both (a) and (b).</p> <p>(d) assets and liabilities are shown at their market values.</p>	1

17	<p>L, M and N were partner in a firm sharing profits and losses in the ratio of 5:3:2. On 1st April, 2018 they admitted S as a new partner in the firm for 1/5th share in the profits. On S's admission the goodwill of the firm was valued at 3 years purchase of last five average profits. The profits during the last five year were:</p> <table border="1" data-bbox="284 465 1345 562"> <thead> <tr> <th>Year</th> <th>I</th> <th>II</th> <th>III</th> <th>IV</th> <th>V</th> </tr> </thead> <tbody> <tr> <td>Profit</td> <td>4,00,000</td> <td>3,00,000</td> <td>2,00,000</td> <td>50,000</td> <td>(50,000)</td> </tr> </tbody> </table> <p>Calculate the value of the goodwill of the firm. Also, pass necessary journal entry for the treatment of goodwill on S's admission.</p> <p>OR</p> <p>Himesh, Davinder and Dheeraj were partners in a firm sharing profits and losses in the ratio of 5:4: 1. From 1st April, 2018 they decided to share profits equally. The revaluation of assets and reassessment of liabilities resulted in a loss of ₹ 5,000. The goodwill of the firm on its reconstitution was valued at ₹ 1,20,000. The firm had a balance of 20,000 in General Reserve. Showing your workings clearly pass necessary Journal entries on the reconstitution of the firm.</p>	Year	I	II	III	IV	V	Profit	4,00,000	3,00,000	2,00,000	50,000	(50,000)	3
Year	I	II	III	IV	V									
Profit	4,00,000	3,00,000	2,00,000	50,000	(50,000)									
18	<p>Pass necessary Journal Entries for the following transactions on dissolution of a Partnership firm:</p> <p>(i) Debtors are Rs.2,64,000. Provision for doubtful debts is Rs.24,000, Rs.48,000 of debtors were not receivable.</p> <p>(ii) Dissolution expenses were Rs.8,000. Out of the said expenses, Rs.3,000 were to be borne by the firm and the balance by Kavi, a partner. Rs.8,000 are paid by the firm.</p> <p>(iii) Accrued income and prepaid expenses in the Balance Sheet before transfer to Realisation Account were Rs.50,000 and Rs.20,000 respectively.</p>	3												
19	<p>On 1st July, 2023, Junk Ltd. issued 10,000, 9% Debentures of Rs.200 each at a discount of 5% redeemable after 5 years at a premium of 10%. All the debentures were subscribed and allotment was made. It has balance in Securities Premium of -Rs.1,00,000.</p> <p>Pass the Journal entries for issue of debentures and writing off the loss on issue of debentures.</p>	3												
20	<p>Kanika, mahi and Banshika were partners in a firm sharing profits and losses in the ratio of 5:3:2 With effect from 1st April, 2019, they agreed to share future profits and losses in the ratio of 2:5:3. Their Balance Sheet showed a debit balance of ₹50,000 in the Profit &amp; Loss Account and a balance of 40,000 in the Investment Fluctuation Fund. For this purpose, it was agreed that:</p>	3												

	<p>(i) Goodwill of the firm be valued at 3,00,000.  (ii) Investments of book value of 5,00,000 be valued at ₹4,80,000.  Pass the necessary Journal entries to record the above transactions in the books of the firm.</p>																					
21	<p>The authorised capital of Sunny Ltd. is Rs.45,00,000 divided into 30,000 shares of Rs.150 each. Out of these, company issued 15,000 shares of Rs.150 each at a premium of Rs.10 per share. The amount was payable as follows. Rs.50 per share on application, Rs.40 per share on allotment (including premium)  Rs.30 per share on first call and balance on final call. Public applied for 14,000 shares. All the money was duly received.  Prepare an extract of Sheet of Sunny Ltd as per Revised Schedule III, Part I of the Companies Act, 2013 disclosing the above information. Also prepare 'notes to accounts' for the same.</p>	4																				
22	<p>Manish, Sudhanshu and Mohit were partners in a firm. On 1st April, 2018, their capitals stood at ₹ 4,00,000 Rs.3,00,000 and 200,000 respectively. As per provision of the Partnership Deed:  (1) Manish was entitled to a salary of ₹ 5,000 per month.  (2) Partners were entitled to interest on capital 10% p.a.  The net profit for the year ended 31st March, 2019 Rs.3,00,000 was divided among the partners without providing for the above items. Showing your working clearly, pass an adjustment entry to rectify the above error.</p>	4																				
23	<p>Kumar, Shyam and Ratan were partners in a firm sharing profits in the ratio of 5: 3 : 2 respectively. They decided to dissolve the firm with effect from 1st April, 2013. On that date, the balance sheet of the firm was as follows</p> <p style="text-align: center;"><b>Balance Sheet</b> as at 1st April, 2013</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Liabilities</th> <th style="width: 15%;">Amount (Rs.)</th> <th style="width: 30%;">Assets</th> <th style="width: 25%;">Amount (Rs.)</th> </tr> </thead> <tbody> <tr> <td>Creditors</td> <td style="text-align: right;">1,20,000</td> <td>Plant</td> <td style="text-align: right;">80,000</td> </tr> <tr> <td>Capital A/cs</td> <td></td> <td>Furniture</td> <td style="text-align: right;">45,000</td> </tr> <tr> <td>    Kumar</td> <td style="text-align: right;">68,000</td> <td>Motor Van</td> <td style="text-align: right;">25,000</td> </tr> <tr> <td>    Shyam</td> <td style="text-align: right;">50,000</td> <td>Stock</td> <td style="text-align: right;">30,000</td> </tr> </tbody> </table>	Liabilities	Amount (Rs.)	Assets	Amount (Rs.)	Creditors	1,20,000	Plant	80,000	Capital A/cs		Furniture	45,000	Kumar	68,000	Motor Van	25,000	Shyam	50,000	Stock	30,000	6
Liabilities	Amount (Rs.)	Assets	Amount (Rs.)																			
Creditors	1,20,000	Plant	80,000																			
Capital A/cs		Furniture	45,000																			
Kumar	68,000	Motor Van	25,000																			
Shyam	50,000	Stock	30,000																			

	Ratan	27,000	Debtors	71,000																													
			Cash	14,000																													
		2,65,000		2,65,000																													
	<p>The dissolution resulted in the following:</p> <ol style="list-style-type: none"> <li>1. Plant of Rs. 40,000 was taken over by Kumar at an agreed value of Rs. 45,000 and remaining plant realised Rs. 50,000.</li> <li>2. Furniture realised Rs. 40,000.</li> <li>3. Motor van was taken over by Shyam for Rs. 30,000.</li> <li>4. Debtors realised Rs. 1,000 less.</li> <li>5. Creditors for Rs. 20,000 were untraceable and the remaining creditors were paid in full.</li> <li>6. Realisation expenses amounted to Rs. 5,000.</li> </ol> <p>Prepare the realisation account.</p>																																
24	<p>Amar, Bobby and Carl were partners in a firm sharing profits and losses in the ratio of 3:2:1. Carl died on 30th June, 2016. After all the necessary adjustments, his Capital Account showed a credit balance of 70,600. Carl's executor was paid 10,600 on 1st July, 2016 and the balance in three equal yearly instalments starting from 30th June, 2017 with interest @ 10% p.a. on the unpaid amount. The firm closes its books on 31st March every year. Prepare Carl's Executor's Account till the amount is finally paid.</p>				6																												
25	<p>Riya and Harsh were partners in a firm. On 31st March, 2018 they decided to admit Ananya as a new partner. On 31st March, 2018 the Balance Sheet of Riya and Harsh stood as follows:</p> <p><b>BALANCE SHEET OF Riya AND Harsh as at 31st March, 2018</b></p> <table border="1"> <thead> <tr> <th>Liabilities</th> <th>Rs.</th> <th>Assets</th> <th>Rs.</th> </tr> </thead> <tbody> <tr> <td>Creditor</td> <td>18,000</td> <td>Cash at bank</td> <td>1,000</td> </tr> <tr> <td>General reserve</td> <td>2,000</td> <td>Debtors</td> <td>40,000</td> </tr> <tr> <td>Capital</td> <td></td> <td>Stock</td> <td>6,000</td> </tr> <tr> <td>Riya 30,000</td> <td></td> <td>Furniture</td> <td>3,000</td> </tr> <tr> <td>Harsh 15,000</td> <td>45,000</td> <td>Freehold property</td> <td>15,000</td> </tr> <tr> <td></td> <td>65,000</td> <td></td> <td>65,000</td> </tr> </tbody> </table> <p>They agreed to admit Ananya as a new partner subject to the following terms and conditions:</p> <ol style="list-style-type: none"> <li>(1) Ananya will bring in 20,000 of which 4,500 will be treated as her share of goodwill premium to be retained in the business.</li> <li>(2) Ananya will be entitled to 1/4th share of the profits in the firm.</li> </ol>				Liabilities	Rs.	Assets	Rs.	Creditor	18,000	Cash at bank	1,000	General reserve	2,000	Debtors	40,000	Capital		Stock	6,000	Riya 30,000		Furniture	3,000	Harsh 15,000	45,000	Freehold property	15,000		65,000		65,000	6
Liabilities	Rs.	Assets	Rs.																														
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(3) A provision for doubtful debts was to be created at 5% on the debtors.

(4) Furniture was to be depreciated by 5%.

(5) Stock was to be revalued at 5,000.

Prepare Revaluation Account, Partners' Capital Accounts and Opening Balance Sheet of the new firm.

OR

The Balance Sheet of Manu, Neeru and Soni who are partners in a firm sharing profits according to their capitals as on March 31, 2020 was as under:

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Creditors	21,000	Building	1,00,000
Manu's Capital	80,000	Machinery	50,000
Neeru's Capital	40,000	Stock	18,000
Soni's Capital	40,000	Debtor 20,000	
		Less: Pro for B/D <u>1,000</u>	19,000
General Reserve	20,000	Cash at Bank	14,000
	<u>2,01,000</u>		<u>2,01,000</u>

On that date, Neeru decided to retire from the firm and was paid for his share in the firm subject to the following:

Buildings to be appreciated by 20%; Provision for Bad debts to be increased to 15% on Debtors; Machinery to be depreciated by 20%; Goodwill of the firm is valued at Rs.72,000 and the retiring partner's share is adjusted through the capital accounts of remaining partners; and the capital of the new firm be fixed at Rs.1,20,000.

Prepare Revaluation Account and Capital Accounts of the partners after retirement of Neeru.

26

Soul Ltd. invited applications for issuing 75,000 equity shares of Rs.100 each at a premium of Rs.30 per share. The amount was payable as follows:

On application and allotment— Rs.85 per share (including premium)

On first and final call-the balance amount

6

	<p>Applications for 1,27,500 shares were received. Applications for 27,500 shares were rejected and shares were allotted on pro-rata basis to the remaining applicants. Excess money received on application and allotment was adjusted towards sum due on first and final call. The calls were made.</p> <p>A shareholder, who applied for 1,000 shares, failed to pay the first and final call money. His shares were forfeited. All the forfeited shares were re-issued at Rs.150 per share fully paid-up.</p> <p>Pass necessary journal entries for the above transactions in the books of Soul Ltd.</p> <p>OR</p> <p>Pioneer Ltd. invited applications for issuing 2,40,000 equity shares of Rs.10 each at a premium of Rs.4 per share. The amount was payable as under:</p> <p>On application – Rs.4 per share (including premium Rs.2), On allotment—Rs.4 per share,</p> <p>On first and final call —Rs.6 per share (including premium Rs.2).</p> <p>Applications for 3,00,000 shares were received and pro-rata allotment was made to all the applicants. Excess application money received on application was adjusted towards sums due on allotment. All calls were made and were duly received except from Rohini who failed to pay allotment and first and final call on 7,500 shares applied by her. These shares were forfeited. Afterwards, 40% of the forfeited shares were reissued at Rs.11 per share as fully paid-up.</p> <p>Pass the necessary Journal entries in the books of Pioneer Ltd.</p>	
	<p><b>PART B</b> <b>(Analysis of Financial Statements)</b></p>	
27	<p>‘Freedom to choose’ the method of depreciation refers to which limitation of financial statement analysis.</p> <p>(a) Historical analysis (b) Qualitative aspect ignored (c) Not free from bias (d) Ignore price level changes</p>	1
28	<p>The Quick Ratio of a company is 1:1. Which of the following transactions will result in increase of this ratio?</p> <p>(a) Purchase of inventory ₹1,50,000 through cheque (b) Sold inventory on credit ₹ 50,000 (c) Outstanding expenses of ₹ 40,000 paid</p>	1

	<p>(d) Machinery purchased for cash ₹50,000</p> <p>OR</p> <p>Ratios that are calculated for measuring the efficiency of operations of business based on effective utilisation of resources are known as:</p> <p>(a) Liquidity ratios  (b) Turnover ratios  (c) Solvency ratios  (d) Profitability ratios</p>										
29	<p>If the Operating Ratio of Pathway Ltd. is 30%, its Operating Profit Ratio will be:</p> <p>(a) 100%                      (b) 30%                      (c) 130%                      (d) 70%</p> <p>OR</p> <p>'Interest received on investments' will come under which type of activity from the following, while preparing Cash Flow Statement of a non-financial enterprise.</p> <p>(a) Investing activity  (b) Financing activity  (c) Operating activity  (d) Both (b) and (c)</p>	1									
30	<p>X Ltd. purchased furniture for Rs.20,00,000 paying 60% by issue of equity shares of Rs.10 each and the balance by a cheque. This transaction will result in:</p> <p>(a) Cash used in investing activities Rs.20,00,000.  (b) Cash generated from financing activities Rs.12,00,000.  (c) Increase in cash and cash equivalents Rs.8,00,000.  (d) Cash used in investing activities Rs.8,00,000.</p>	1									
31	<p>From the following information, prepare Comparative Statement of Profit and Loss.</p> <table border="1" data-bbox="284 1585 1198 1928"> <thead> <tr> <th>Particulars</th> <th>31<sup>st</sup> March, 2019 (Rs.)</th> <th>31<sup>st</sup> March, 2018 (Rs.)</th> </tr> </thead> <tbody> <tr> <td>Revenue from Operations</td> <td>4,00,000</td> <td>3,00,000</td> </tr> <tr> <td>Other Income</td> <td>80,000</td> <td>40,000</td> </tr> </tbody> </table>	Particulars	31 <sup>st</sup> March, 2019 (Rs.)	31 <sup>st</sup> March, 2018 (Rs.)	Revenue from Operations	4,00,000	3,00,000	Other Income	80,000	40,000	3
Particulars	31 <sup>st</sup> March, 2019 (Rs.)	31 <sup>st</sup> March, 2018 (Rs.)									
Revenue from Operations	4,00,000	3,00,000									
Other Income	80,000	40,000									

Expenses – 50% of Revenue from Operations		
Income Tax Rate	40%	40%

OR

From the information extracted from the statement of Profit & Loss of Zee Ltd for the year ended 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2023. Prepare a Common Size Statement of Profit & Loss:

Particulars	Note No.	2022-23 (Rs.)	2021-22 (Rs.)
Revenue from Operations		8,00,000	10,00,000
Gross Profit		60%	70%
Other Expenses		2,20,000	2,60,000
Tax Rate		50%	50%

32	Under which major heads and sub-heads will the following items be placed in the Balance sheet of the Company as per Schedule III Part I of Companies Act, 2013:  (i) Computer software (ii) Capital Reserve (iii) Stores and spares	3
33	From the following information, calculate Operating Ratio:  (i) Revenue from Operations: Rs. 10,00,000, Cost of Revenue from Operations: Rs. 4,00,000, Selling expenses: Rs. 80,000 and Administrative expenses: Rs. 1,20,000  (ii) From the following details, calculate Interest Coverage Ratio: Net Profit before Tax: Rs. 2,00,000, 10% Long term debt: Rs. 5,00,000 and Tax rate 40%  OR	4

	<p>The Current Ratio of Zen Ltd. is 2:1. State giving reasons, which of the following transactions will improve, reduce or not change the current ratio:</p> <p>(i) Payment to creditors Rs.20,000</p> <p>(ii) Purchased goods on credit Rs.80,000</p> <p>(iii) Cash received from debtors Rs.15,000</p> <p>(iv) Issue of equity shares Rs.5,00,000</p>																																													
34	<p>The Balance Sheet of Madhav Ltd. as at 31<sup>st</sup> March, 2022 was as follows:</p> <p style="text-align: center;"><b>Madhav Ltd.</b></p> <p style="text-align: center;"><b>Balance Sheet as at 31st March, 2022</b></p> <table border="1" data-bbox="284 943 1265 2027"> <thead> <tr> <th>Particulars</th> <th>Note No.</th> <th>31.03.2022 (Rs.)</th> <th>31.03.2021 (Rs.)</th> </tr> </thead> <tbody> <tr> <td colspan="4"><b>I. EQUITY AND LIABILITIES</b></td> </tr> <tr> <td colspan="4"><b>1. Shareholder's Funds</b></td> </tr> <tr> <td>(a) Share Capital</td> <td></td> <td>35,00,000</td> <td>25,00,000</td> </tr> <tr> <td>(b) Reserves and Surplus (Statement of profit and Loss)</td> <td></td> <td>12,50,000</td> <td>10,00,000</td> </tr> <tr> <td colspan="4"><b>2. Non-Current Liabilities</b></td> </tr> <tr> <td>(a) Long- term borrowings (10% Debentures)</td> <td></td> <td>12,50,000</td> <td>3,50,000</td> </tr> <tr> <td colspan="4"><b>3. Current Liabilities</b></td> </tr> <tr> <td>(a) Short-term Borrowings (Bank Overdraft)</td> <td>1</td> <td>50,000</td> <td>75,000</td> </tr> <tr> <td>(b) Trade Payables</td> <td></td> <td>2,50,000</td> <td>1,50,000</td> </tr> <tr> <td>(c) Short-term Provisions</td> <td></td> <td>1,50,000</td> <td>75,000</td> </tr> </tbody> </table>	Particulars	Note No.	31.03.2022 (Rs.)	31.03.2021 (Rs.)	<b>I. EQUITY AND LIABILITIES</b>				<b>1. Shareholder's Funds</b>				(a) Share Capital		35,00,000	25,00,000	(b) Reserves and Surplus (Statement of profit and Loss)		12,50,000	10,00,000	<b>2. Non-Current Liabilities</b>				(a) Long- term borrowings (10% Debentures)		12,50,000	3,50,000	<b>3. Current Liabilities</b>				(a) Short-term Borrowings (Bank Overdraft)	1	50,000	75,000	(b) Trade Payables		2,50,000	1,50,000	(c) Short-term Provisions		1,50,000	75,000	6
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<b>Total</b>		<b>64,50,000</b>	<b>41,50,000</b>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
Property, Plant and Equipment and Intangible Assets:			
(a) Property, Plant and Equipment	2	40,00,000	22,50,000
(b) Intangible Assets (Goodwill)		3,50,000	5,00,000
<b>2. Current Assets</b>			
(a) Inventories		6,25,000	5,00,000
(b) Trade Receivables		12,50,000	7,50,000
(c) Cash and Cash Equivalents		2,25,000	1,50,000
<b>Total</b>		<b>64,50,000</b>	<b>41,50,000</b>

**Notes to Accounts:**

<b>Particulars</b>	<b>31.03.2022 (Rs.)</b>	<b>31.03.2021 (Rs.)</b>
<b>1. Short-term Provisions</b>		
Provision for Tax	<u>1,50,000</u>	<u>75,000</u>
	<u>1,50,000</u>	<u>75,000</u>
<b>2. Property, Plant and Equipment</b>		
Plant and machinery	44,00,000	25,00,000
Less: Accumulated Depreciation	<u>(4,00,000)</u>	<u>(2,50,000)</u>
	<u>40,00,000</u>	<u>22,50,000</u>

	<p>Additional Information:</p> <p>(i) A part of the machine costing Rs.1,25,000 accumulated depreciation thereon being Rs.50,000 was sold for Rs.45,000 during the year.</p> <p>(ii) Interest of Rs.1,25,000 was paid on Debentures.</p> <p>Calculate cash flows from 'Investing Activities' and 'Financing Activities' of Madhav Ltd. from the information provided above.</p>	
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.....END OF THE QUESTION PAPER.....