

229101L8PM

(TIME: THREE HOURS)

SEM = III  
S.Y.B. Com  
Oct = 2022  
Regular  
(MARKS: 100)

NB:

1. All questions are compulsory subject to internal choice.
2. All questions carry equal marks
3. Figures to the right indicate maximum marks

Q.1. Answer any TWO of the following:-

- a) Explain the meaning of contract. What are the essential elements of valid contract. (10)
- b) Write a note on following: (10)
  1. Lalman Shulka V/s Gauri Duatt
  2. Carlill V/s Carbolic Smoke Ball Company Ltd
- c) What is consideration? Describe the legal rules as to consideration. (10)
- d) Who is competent to contract? Write a note on effects of minor's agreement in detail. (10)

Q.2. Answer any TWO of the following: -

- a) What is Coercion? Distinguish between Coercion and Undue Influence. (10)
- b) What do you understand by void agreements? What are the agreements which are expressly declared void? (10)
- c) Write a note on following: (10)
  1. Contingent Contract and Wagering Agreement
  2. e-Contract
- d) What are the modes of discharge of contract? (10)

Q.3. Answer any TWO of the following: -

- a) Explain the essential elements of bailment and its types. (10)
- b) Explain the essentials of contract of Indemnity with examples. (10)
- c) Describe the modes of discharge of surety. (10)
- d) Discuss the duties and rights of a Principal and Agents under contract of agency. (10)

Q.4. Answer any TWO of the following: -

- a) Distinguish between Sale and Agreement to Sell (10)
- b) Write a note on following: - (10)
  1. Implied Warranties under Sale of Goods Act
  2. Doctrine of Caveat Emptor
- c) Discuss the rules relating to transfer of property in the case of sale of specific goods and unascertained goods. (10)
- d) Explain the concept of 'Unpaid Seller' and the unpaid sellers right of 'stoppage of goods in transit' and 'right to sale' (10)

Q.5. Answer any TWO of the following: -

- a) Write a note on following: (10)
  1. Characteristics of Negotiable Instruments
  2. Presumptions as to Negotiable Instruments.
- b) Distinguish between a Promissory Note and Bills of Exchange. (10)
- c) What is a Cheque? Explain its essential elements and its types (10)
- d) Explain the concepts of holder and holder in due course and rights and privileges of holder in due course (10)

229101BPM

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Note: 1. All questions are compulsory.

2. Figures to the right indicate maximum marks.

Q.1. A. Choose appropriate answer from the options given below (Any Ten): [10]

1. Professional managers place emphasis on \_\_\_\_\_.  
a) results, b) activities, c) formalities, d) Plans
2. \_\_\_\_\_ function of management facilitates SWOT analysis..  
a) Planning, b) Organizing, c) Controlling, d) Leading
3. Under different piece rate system, F.W. Taylor recommended \_\_\_\_\_ rates.  
a) 2, b) 3, c) 4, d) 6
4. \_\_\_\_\_ is a time table for activities.  
a) Schedule, b) Budget, c) Procedure, d) Policies
5. \_\_\_\_\_ database presents the data in the form of graphs and charts.  
a) Relational, b) Hierarchical, c) Graphical, d) Pictorial
6. \_\_\_\_\_ is the orderly synchronizing of efforts of the subordinates.  
a) Coordination, b) Controlling, c) Communication, d) Motivation
7. There must be \_\_\_\_\_ between authority and responsibility.  
a) equity, b) similarity, c) balance, d) optional
8. Informal organisations make use of \_\_\_\_\_ communication.  
a) Upward, b) downward, c) grapevine, d) written
9. Span of Control has \_\_\_\_\_ application.  
a) Limited, b) narrow, c) Universal, d) special
10. Nowadays, professional managers adopt \_\_\_\_\_ style of leadership.  
a) Sociocratic, b) Consultative, c) Situational, d) Paternalistic
11. \_\_\_\_\_ control system enables managers to focus their attention on significant deviations.  
a) Critical point, b) Flexible, c) Control by Exception, d) BEA
12. \_\_\_\_\_ refer to the systematic evaluation of the functioning, performance and effectiveness of management.  
a) MBO, b) HRA, c) Management Audit, d) BEA.

Q.1. B. State whether the following statement are True or False (Any Ten): [10]

1. The principle of equity implies equality towards employees.
2. Elton Mayo is credited with Hawthorne Experiments.
3. Time study was conducted by Frank Gilbreth.
4. Competition is an important element of internal environment.

5. Rules and Policies are synonymous in almost all organizations.
6. Peter Drucker popularised the concept of Management by Objectives.
7. Generally, informal organisation exists in almost all organizations.
8. In flat organization, there are more levels of management.
9. Centralisation is the tendency to disperse authority in the organization.
10. Motivation is a onetime activity.
11. Noise is a semantic barrier in communication.
12. Leadership style is a pattern of behavior of a leader while dealing with subordinates.

**Q.2. Answer any TWO of the following:** [15]

- (a) What are various managerial skills required in the 21<sup>st</sup> century?
- (b) Explain the contribution of F.W. Taylor under Scientific Management.
- (c) Discuss the significance of Indian ethos to management.

**Q.3. Answer any TWO of the following:** [15]

- (a) Describe different components of planning.
- (b) Explain the steps in MBO process.
- (c) What are the techniques of decision making?

**Q.4. Answer any TWO of the following:** [15]

- (a) Discuss the steps in organizing process.
- (b) Explain the various bases of departmentation.
- (c) What are the several barriers to effective delegation?

**Q.5. Answer any TWO of the following:** [15]

- (a) What are the factors influencing motivation of employees?
- (b) Discuss in brief the barriers to effective communication.
- (c) Briefly explain different leadership styles.

**Q.6. Write Short Notes on any FOUR of the following:** [20]

- (a) Functions of management
- (b) Components of MIS
- (c) Decentralisation
- (d) Span of Management
- (e) Leadership qualities
- (f) Controlling techniques

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3221201EBNM

TIME: 3 HOURS

TOTAL MARKS:100

- N.B.1) All questions are compulsory  
2) All questions carry equal marks  
3) Use of simple calculator is allowed  
4) Draw neat diagrams wherever necessary

- Q1) a) Explain the following concepts: (Any Five) 10  
i) Precautionary Motive  
ii) Personal Income  
iii) Marginal Propensity to consume  
iv) Liquidity Trap  
v) Laffer curve  
vi) Supply side economics  
vii) Demand pull inflation  
viii) Inflation targeting

- Q1) b) Choose the right answer from the given options and rewrite the statements. 10

- i) One of the major assumptions of the classical school is  
a) Lack of aggregate demand cause involuntary unemployment  
b) Governments fiscal operations can reduce unemployment  
c) Unemployment and inflation can exist together  
d) Economy will be in full employment in the long run

- ii) Which of the following economy is in equilibrium when investment is equal to saving?  
a) Closed  
b) Open  
c) Developing  
d) Developed

- iii) The point where the aggregate demand and the aggregate supply curves intersects is called  
a) Total demand  
b) Effective demand  
c) Equilibrium demand  
d) Non-equilibrium demand

iv) At a very low rate of interest the liquidity preference curve becomes

- a) Perfectly inelastic
- b) Perfectly elastic
- c) Relatively inelastic
- d) Relatively elastic

v) MEC refers to what type of return from an investment ?

- a) Expected rate of profit
- b) Actual profit
- c) Expected rate of interest
- d) None of the above

vi) Which of the following will shift the IS curve?

- a) Increase in government expenditure
- b) Decrease in government expenditure
- c) Increase in autonomous spending
- d) None of the above

vii) A tax cut according to Milton Friedman

- a) Increases prices
- b) Increases budgetary deficit
- c) Increases budgetary surplus
- d) Decreases prices

viii) The average number of times a unit of money is used for making payments for final goods and services is known as

- a) Transaction velocity
- b) Monetary velocity
- c) Income velocity
- d) Growth velocity

ix) According to Friedman, household demand money to have command over

- a) Property
- b) Real good and services
- c) Future interest income
- d) Shares

- x) During inflation monetary measures aim at
- a) Increasing cost of money and reducing money in circulation
  - b) Increasing money supply
  - c) Reducing the cost of money
  - d) None of the above

**Q2) Answer any two of the following:**

**(20)**

- a) Explain with the help of a diagram circular flow of national income in two sector economy with saving.
- b) Give the precise meaning of a trade cycle. Explain its characteristic features.
- c) Discuss the importance of the study of macroeconomics.

**Q3) Answer any two of the following:**

**(20)**

- a) Explain in detail the working of multiplier giving a suitable example and diagram.
- b) What do you mean by consumption function? Explain the factors influencing consumption function.
- c) What is the meaning of investment? Explain the factors which determine investment.

**Q4) Answer any two of the following:**

**(20)**

- a) Examine the Long run Phillips curve.
- b) Write a note on Supply side economics.
- c) Explain the derivation of LM curve.

**Q5) Answer any two of the following:**

**(20)**

- a) What is inflation? Discuss the different effects of inflation.
  - b) Discuss in detail the Keynesian Liquidity preference approach to demand for money.
  - c) What are the different constituents of money supply?
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Maximum Marks: 100

Number of pages : 04

Duration : 3 Hrs

- N.B. :
1. All questions are compulsory.
  2. Figures to right Indicates full marks.
  3. Working Should form part of the answer.
  4. Simple Calculator is allowed.

Q.1 A Match the Columns: (Any ten)

(10 Marks)

Column A	Column B
1. Management Accounting	a. Cash inflow
2. Over Subscription	b. Long term investment Decisions
3. Source of Fund	c. Large Working Capital
4. Increase / Decrease	d. Total Current Assets
5. Liquid ratio	e. Capital Gearing Ratio
6. Debtors Turnover Ratio	f. Future Oriented
7. ROI (Return on investment)	g. Subscribed Capital is more than issued Capital
8. Capital Structure	h. Net worth + Loan fund
9. Gross Working Capital	i. Methods of Preparation of Comparative statement
10. Large Scale Operation	j. Liquidity position
11. Capital Budgeting Decisions	k. Efficiency in collection from Debtors
12. Subsidy from Government	l. Combined Ratio

Q.1 B. State whether the following statement is True or False (Any 10)

(10 Marks)

- 1) Management Accounting is Known as corporate Accounting.
- 2) Owed Funds is an internal source of Finance.
- 3) Unclaimed Dividend are classified as Current Liabilities in Vertical Financial Statements.
- 4) High Proprietary Ratio indicates low risk for the Creditors.
- 5) Liquidity means the firm's ability to pay its debts in the long run.
- 6) Debtors Turnover Ratio includes only Sundry Debtors; it excludes Bills Receivable.
- 7) The Gross Profit Ratio is a measurement of short-term liquidity.
- 8) If the Debtors take longer to pay, the operating cycle too becomes longer.
- 9) Temporary Working Capital is ment to take care of seasonal demands.
- 10) Permanent Working Capital is the same as Fixed Capital.
- 11) The accounting rate of return method gives due weightage to the Profitability of the project.
- 12) Capital expenditure benefits accrue only in the current Period.

Q.2 A. From the following information of Sun Ltd. As at 31<sup>st</sup> March 2022, prepare Comparative Balance sheets in Vertical form.

(10 Marks)

Liabilities	2021	2022	Assets	2021	2022
Share Capital	50,000	80,000	Fixed Assets	60,000	75,000
Reserve and Surplus	15,000	20,000	Investments	10,000	20,000
12% Debentures	30,000	24,000	Current Assets	50,000	40,000
Current Liabilities	30,000	15,000	Miscellaneous Expenditure	5,000	4,000
	1,25,000	1,39,000		1,25,000	1,39,000

Q.2 B. Following is the Balance sheet of Moon Ltd. As on 31<sup>st</sup> March, 2022. Prepare a common-Size Balance Sheet from the above in Vertical form. (10 Marks)

Balance Sheet as on 31<sup>st</sup> March, 2022

Liabilities	Amount	Liabilities	Amount
Equity Share Capital	3,00,000	Fixed Assets	4,00,000
8% Preference Share Capital	2,00,000	Investments Stock	1,50,000
General Reserve	20,000	Stock	25,000
Profit and loss Account	50,000	Debtors	75,000
10% Debentures	1,00,000	Bills Receivable	30,000
Creditors	20,000	Cash	15,000
Bills Payable	7,000	Preliminary Expenses	5,000
Outstanding Expenses	3,000		
	7,00,000		7,00,000

OR

Q2 : Following balance are extracted from the books of Star Ltd. You are required to prepare Vertical Trend Analysis income Statement from below. (20 Marks)

Balances ad on 31<sup>st</sup> March 2022

Particulars	2020	2021	2022
Net Sales	30,000	40,000	50,000
Opening Stock	3,000	5,000	7,000
Purchases	17,000	19,000	20,000
Wages	1,500	3,000	2,000
Carriage Inward	2,000	4,000	4,000
Close Stock	5,000	7,000	6,000
Office Expenses	1,000	1,200	1,500
Selling Expenses	700	900	1,000
Finance Expenses	600	1,000	2,000
Non – operating Income	800	900	1,000
Non – Operating Expenses	500	300	500
Tax	40%	40%	40%

Q.3 : Following is the Revenue Statement of Modern Enterprises : (20 Marks)

Trading Profit and loss account for the year ended 31<sup>st</sup> March , 2022

Particulars	Amount	Particulars	Amount
To Opening Stock	27,150	By Sales	2,55,000
To Purchase	1,63,575	By Closing Stock	42,000
To Carriage Inward	4,275	By Interest Received on Investment	2,700
To Office Expenses	45,000		
To Sales Expenses	13,500		
To Loss on Sale of Fixed Assets	1,200		
To Net Profit C/d	45,000		
	2,99,700		2,99,700

Calculate the following Ratios :

- Gross Profit
- Operating Profit
- Stock Turnover Ratio
- Office Expenses Ratio
- Net Profit Before Tax Ratio

OR

Q.3 : Following is the Balance sheet of Happiness Ltd. As on 31<sup>st</sup> March, 2022 (20 Marks)

Balance sheet as on 31<sup>st</sup> March, 2022

Liabilities	Amount	Assets	Amount
Equity Share Capital	1,00,000	Machinery	2,96,000
General Reserve	70,000	Investments	1,12,000
10% Preference share Capital	1,80,000	Stock in Trade	1,01,000
15% Debentures	1,20,000	Bills Receivable	20,000
Trade Payables	1,22,000	Trade Receivables	49,000
Bank Overdraft	20,000	Cash and Bank	38,000
Provision for Tax	18,000	Profit and loss A/c	14,000
	6,30,000		6,30,000

Sales for the year Rs. 7,00,000; Gross Profit Rate – 25% and Opening Stock is Rs. 1,09,000. Profit before Tax for the year ending 31-3-2022 is Rs. 2,10,000.

You are required to compute the following Ratios and comment on Current Ratio.

- I. Current Ratio
- II. Acid Test Ratio
- III. Stock Turnover Ratio
- IV. Capital Gearing Ratio
- V. Proprietary Ratio
- VI. Debt Equity Ratio
- VII. Return on Capital Employed

Q.4 : From the following data provided by M/s Alpha Ltd. Estimate Working Capital requirements for the year ended 31<sup>st</sup> March, 2022. (20 Marks)

- a) Estimated Activity/operations for the year 2,60,000 units (52 weeks).
- b) Raw materials remain in Stock for 2 week and production cycle takes 2 weeks.
- c) Finished Goods remaining in Stock for 2 weeks.
- d) 2 weeks Credit is allowed by Suppliers
- e) 4 weeks credit is allowed to Debtors
- f) Time lag in payment of wages and Overheads is 2 weeks each.
- g) Cash and Bank Balance to be maintained Rs. 25000
- h) Selling Price Per unit is Rs. 15.
- i) Analysis of Cost Per unit is as follows:
  - Raw materials 33 1/3 % of Sales
  - Labour and Overheads in the ratio of 6 : 4 per unit
  - Profit is at Rs. 5 per unit.

Assume that operation are evenly spread throughout the year; wages and Overheads accrue similarly. Manufacturing process required feeding of materials fully at the beginning. Degree of Work in progress is 50% Debtors are to be estimated at Selling Price.

OR

Q.4 Sawantwadi Industries Ltd is considering purchase of one machine from two machine modals, one ABX and another PGX available in the market. The initial cost of ABX machine is Rs 1.50,000 and that of POX machine in Rs 1.25.000. Both machines have five years of life with no scrap value Company provides depreciation on straight the method, Income tax rate in 30% Expected profit before depreciation and tax for both the machines and Present Value of Rs 1,@ 10% rate for the next five years is as follows:

Year	PV of Rs. 1	ABX Machine Rs.	PQX Machine Rs,
1	0.909	42,000	35,000
2	0.826	45,000	42,000
3	0.751	52,000	48,000
4	0.638	55,000	52,000
5	0.621	60,000	60,000

You are required to calculate Net Present Value of each Machine model @ 10% discounting factor and suggest the company as to which machine should be purchased.

Q.5: (A) Explain the function of Management Accounting.

(10 Marks)

(B) Explain the factors determining Working Capital Requirements.

(10 Marks)

**OR**

Q.5 : Write short notes on any of four of the following **(Any Four)**

(20 Marks)

- A. Common size financial statements
  - B. Accounting Rate of Return Method
  - C. Current Liabilities
  - D. Stock Turnover Ratio
  - E. Operating Expenses
  - F. Limitations Of Ratio Analysis.
-

R221190CFSS

Duration: 2 ½ hrs.

Marks : 75

NOTE: 1) All questions are compulsory.  
2) All questions carry equal marks.

Q.1 A. Explain the following concepts: (Any Five) 15

1. Minorities
2. Political Rights
3. Deforestation
4. Recovery Phase in Dealing with Disaster
5. Prejudices
6. Tolerance
7. Pitch variation
8. The Intimate Space

OR

B. Write a detailed note on the Foundation Course (Semester III) project submitted by you. 15

Q.2 A. Discuss the Constitutional and Legal Rights of Scheduled Castes. 15

OR

B. Explain forms of violations of human rights of Women. 15

Q.3 A. Explain the Concept and Characteristics of Disasters. 15

OR

B. Discuss the physical and economic effects of disasters. 15

Q.4 A. Describe the role of science in exploding myth, blind beliefs and prejudices. 15

OR

B. Discuss the positive and negative impact of technology on human life. 15

Q.5 A. Explain the concept and importance of Self-awareness. 15

OR

B. Explain the term oral communication and mention advantages and disadvantages of oral communication. 15

R227011VDABS

Marks: 100

Time: 3 Hours

Note: 1. All questions are compulsory.

2. Figures to the right indicate maximum marks.

Q.1. A. Choose appropriate answer from the options given below (Any Ten): [10]

1. Advertising is an element of \_\_\_\_\_.  
a) Promotion mix, b) Place mix, c) Market mix, d) Product mix
2. \_\_\_\_\_ is the oldest advertising agency in India.  
a) B. Dattaram & Co, b) L.R. Swami, c) Bomas Ltd., d) Guju Ad.
3. \_\_\_\_\_ is not an element of Integrated Marketing Communication.  
a) Physical Distribution, b) Internet, c) Events/ sponsorship, d) Sales Promotion
4. \_\_\_\_\_ department looks after scheduling of advertising production in an ad agency.  
a) Traffic, b) Media, c) Production, d) Copy
5. \_\_\_\_\_ is a person in an advertising agency responsible for writing headlines and slogans.  
a) Copywriter, b) Visualiser, c) Media Executive, d) Account Executive
6. Creative pitch is a method used to get \_\_\_\_\_.  
a) Client, b) Media mix, c) Awards, d) Employees
7. \_\_\_\_\_ is a combination of tangible and intangible aspects of a society.  
a) Culture, b) Advertising, c) Ethics, d) Profession
8. DAVP acts as a \_\_\_\_\_ agency for central government.  
a) multi-media, b) modular, c) watchdog, d) advertising
9. Alcohol brands in India advertising as soda on television is \_\_\_\_\_ advertising.  
a) surrogate, b) pro bono, c) primary, d) corporate image
10. Brand \_\_\_\_\_ is incremental value of business above the value of its physical assets.  
a) Equity, b) Image, c) Loyalty, d) Support
11. \_\_\_\_\_ is considered as the father of image advertising.  
a) David Ogilvy, b) Rosser Reeves, c) E.K. Strong, d) Shakespeare
12. \_\_\_\_\_ as an advertising medium has the widest reach with youth.  
a) Mobile phones, b) Television, c) Print, d) Radio

Q.1. B. State whether the following statement are True or False (Any Ten): [10]

1. Nowadays, advertisers need to create Top of Mind awareness.
2. The response expected under national advertising is 'buy my brand'.
3. IMC influences diverse groups.

4. All advertisers adopt exaggerated claims in their advertisements.
5. A specialist ad agency provides in-house services to its clients.
6. Client may remain with the ad agency even when the agency provides inadequate services.
7. Advertisers do not advertise during recession.
8. Creative advertising helps to increase demand for the goods.
9. Generic advertising is also called as selective advertising.
10. Communication process requires two elements – the source and the receiver.
11. AIDA model places emphasis only on attracting attention.
12. Brand loyalty does not contribute towards brand equity.

**Q.2. Answer any TWO of the following:**

[15]

- (a) Explain the various elements of Integrated Marketing Communication (IMC).
- (b) Who are different active participants in the advertising?
- (c) Explain the classification of advertising on the basis of geographic area and audience.

**Q.3. Answer any TWO of the following:**

[15]

- (a) Explain the types of advertising agencies.
- (b) What are the different ways of maintaining agency-client relationship?
- (c) Explain in brief the various career options available in advertising.

**Q.4. Answer any TWO of the following:**

[15]

- (a) Explain the economic impacts of advertising
- (b) Discuss various forms of unethical advertising
- (c) Explain the role of ASCI in the advertising sector.

**Q.5. Answer any TWO of the following:**

[15]

- (a) Describe the role of advertising in developing brand image.
- (b) Explain the different aspects of rural advertising.
- (c) Discuss trends in the advertising media.

**Q.6. Write Short Notes on any FOUR of the following:**

[20]

- (a) Evolution of Advertising
- (b) Steps in Creative Pitch
- (c) Pro Bono Advertising
- (d) AIDA Model
- (e) Communication Process
- (f) Green Advertising

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TIME: 3 HOURS

TOTAL MARKS: 100

TOTAL PAGES: 6

Notes: (1) All The Questions Are Compulsory Carry 20 Marks Each.

Q.N.1. (a) State Whether following statements are True or False (Any Ten) - (Rewrite the Sentences) (10)

1. In Excess capital method, the partner whose unit capital is taken as base has the highest excess capital.
2. Shares received as part of purchased consideration by firm on conversion have to be distributed amongst partners in Profit Sharing Ratio-
3. Shares received as part of purchased consideration by firm on conversation must be distributed amongst partners equally.
4. Conversion of firm into company does not involve dissolution of firm.
5. In Amalgamation of firm, Profit and Loss Adjustment accounts is opened.
6. On amalgamation of firm, fictitious assets are transferred to Realization accounts.
7. The new firm debits all the assets and credits all the liabilities at the values at which they appear in the books of amalgamation firm on the date of agreement.
8. In piecemeal distribution, the amounts realized from assets are used to pay first the outside Loan and then the realization expenses.
9. In Excess capital method the minimum capital is equal to the lowest unit capital.
10. The Agreement among partners must be to do lawful business.
- 11 In case of sale of firm to a company, all the present partners may not become directors of the company.
12. Purchase consideration = to taken over assets less taken over external liabilities both at market value.

Q.N.1. (b). Multiple Choice Questions. (Rewrite the Sentences) (Any Ten) (10)

1. in Equitable Approach
  - (a) Equity Shares are divided in Profit Sharing Ratio
  - (b) Equity Shares are divided in Excess Capital Method
  - (c) Equity Shares are divided in Surplus Capital Method
  - (d) Equity Shares are divided in Quotient Capital Method
  
2. If Purchase Consideration is more than the net assets taken over, in the books of the company taken over by the firm, the difference is -----
  - (a) Debited to Goodwill Account
  - (b) Credited to Capital Reserves
  - (c) Debited to Security Premium
  - (d) Credited to Security Premium
  
3. Dissolution Expenses paid by the company to the firm on conversation are
 

(a) Credited to Goodwill Account	(b) Debited to Goodwill Account
(C) Debited to Security Premium	(D) Credited to Security Premium
  
4. If, on amalgamation, any assets of the vendor firm are given as gift to its partners.
  - (a) That partners' capital account debit to realization account credit side
  - (b) That partners' capital account debit to revaluation accounts credit side
  - (c) Realization accounts debit side to partner's accounts credit side
  - (d) No entry is passed

5. In Case of Amalgamation---

- (a) Goodwill of both the firm is valued separately (B) Goodwill of the both firms ignored  
 (b) Goodwill of the both firms valued at cost (C) Goodwill of the both valued at new cost

6. Any balance in the profit and loss accounts of the purchasing firm will be transferred to

- (a) Capital Account of the Partners (B) Profit and Loss Adjustment Accounts  
 (C) Profit and Loss Accounts (D) Revaluation Accounts

7. On amalgamation of firm, accumulated profits /reserve of old firm get distributed over

- (A) Old partners in Old profit-sharing ratio  
 (B) New partners in old profit-sharing ratio  
 (C) New partners in new profit-sharing ratio  
 (D) Old partners in adjusted profit-sharing ratio

8. When there are four partners, excess capital is to be computed

- (a) One (b) Two (c) Three (d) Four

9. After All Excess Capitals are paid, the balance cash is paid to the partners.

- (a) Equal (b) In the ratio of their unit capitals  
 (c) In their Profit-Sharing Ratio (d) In their Capital Sharing Ratio

10. Income Tax payable by firm as on the date of dissolution is treated

- (a) As a preferential asset (c) As a preferential debtor  
 (b) As a preferential creditor (d) As a secured creditor

11. Interest on partner's loan is -----to Profit and Loss Appropriation accounts.

- a. Debited credited c. No need to transfer d. Assets side

12. A partner act as a -----in Partnership Final Accounts

- (a) Agent (b) Third party (c) Employed. (d) Owner

QN.2. (A) The Following Is The Trial Balance Of M/S. P, Q and R As On 31.12.2021

Particular	Dr. Rs.	Particular	Cr. Rs.
Drawing - P	4,000	Capital - P	12,000
Drawing -Q	4,000	Capital - Q	12,000
Drawing -R	4,000	Capital - R	12,000
Purchases	52,000	Sales	92,000
Goods returned	8,00	Returns	6,00
Stock on 1.1.2021	8,000	Bad Debts Provision	3,000
Salary	9,000	Bank Loan	6,750
Office Expenses	4,000	Creditors	25,500
Trade expenses	1,500	Bills Payable	9,00
Bad debts	7,00	Other Loan	2,000
Carriage Inward	1,500		
Carriage Outward	2,250		
Debtors	33,500		
Bills Receivable	1,000		
Bank Balance	2,800		
Cash on Hand	7,00		
Investment	5,000		
Buildings	20,000		
Plant & Machinery	12,000		
<b>Total</b>	<b>1,66,750</b>		<b>1,66,750</b>

On 1<sup>st</sup> July 2021 P died. The following adjustments were agreed upon for the purpose of changes in constitution and you are required to give effect of them:

1. Goodwill was to be raised at 30,000 and brought into the books
2. Machinery worth 24,000 was purchased on 31<sup>st</sup> March 2021, but the purchase invoice was not recorded in the books
3. Balance standing to the credit of P after giving effect of above was to be treated as loan of Mrs P on which interest @ 15% p.a. is allowed.

Further adjustments at the year end .1. Closing stock is valued is to be at 14,000

2. Bad debts provision is to be kept at 1,500
3. Depreciation plant by 10% and building by 5% p.a.
4. 15% interest on partner's capital is to be provided
5. Each partner is to be paid a salary of 1,200 p.a.
6. Loan of 3, 00 was given to a worker but is wrongly debited to salary account
7. Outstanding trade expenses 1, 00. Prepare Final Account

(20)

OR

QN.2. (B) Following is the trial Balance of partnership of A, B & C as on 31<sup>st</sup> December 2022 (20)

Particular	Amt	Amt	Particular	Amt	Amt
Capital			Debtors	30,000	
A		30,000	Creditors		31,000
B		20,000	Purchases	35,000	
C		10,000	Wages	3,500	
Drawing			Carriage Inwards	1,500	
A	3,000		Sales		70,000
B	2,000		Office & Administrative Exp.	10,000	
C	1,000		Selling & Distribution Expenses	5,000	
Building	20,000		Cash	8,000	
Furniture	5,000		Bank	8,000	
Stock	3,000		Advance	16,000	
Machinery	10,000				
				1,61,000	1,61,000

Additional Information:

1. On 1<sup>st</sup> July 2022 C was admitted who brought Rs. 10,000 as his capital for which the entry is passed. He later on brought RS. 2,400 for goodwill for which the entry is to be passed.
2. A & B were sharing profit and losses as 3:2. After C's admission they share profit & Losses as 2:1:1.
3. The sales ratio for the first six months and second six months has been 3:2. Selling Expenses are in direct proportion to sales
4. Out of administrative expenses Rs. 1,000 belonged to second half of the year only. Balance of the administrative expenses to be divided equally.
5. Closing stock Rs. 3,000 on 30-6-2022, Rs. 2,500 on 31-12-2022.
6. Depreciation on Building at 5% p.a Machinery at 10% p.a
7. Interest on capital to be allowed at 10% p.a

Prepare Trading Profit & Loss Account and the balance Sheet for the year ended on 31<sup>st</sup> December 2003. Also prepare partner's capital accounts showing the final account.

QN.3. (A) the Balance Sheet of the Messer "A & B" and "C & D" as on 31.12.2021 (20)

Liabilities	"A & B"	"A & B"	Assets	"A & B"	"A & B"
Capital			Land	10,000	12,000
A	10,000		Machinery	7,000	8,000
B	10,000		Furniture	3,000	3,500
C		10,000	Debtors	6,000	8,500
D		10,000	Stock	8,000	10,000
Creditors	15,000	10,000	Cash	3,000	1,000
Loan	-----	10,000			
Outstanding Expenses	2,000	3,000			
	37,000	43,000		37,000	43,000

The two firm decided to amalgamated and form ABCD and Co. with effect from 1.1.2022 partners would share profit and losses equally between themselves as they were doing prior to amalgamation and they agreed to following revaluation of assets and liabilities

Particulars	A and B	C and D
Land	10,000	10,000
Machinery	7,000	8,000
Furniture	2,500	2,500
Debtors	5,500	7,000
Stock	8,000	8,000
Outstanding Expenses	2,000	3,500

In addition to above it was decided

1. That the new firm would not take over the loan of C and D
2. The goodwill of A and B and C and D were valued at Rs. 10,000 and 5,000 respectively in the first instance but for the purpose of the balance sheet of the new firm, the combined goodwill would be valued at Rs. 12,000 and
3. That the reconstructed capital of the partners would be Rs. 14,000 each, partner's introducing cash, if necessary

You are required to prepare necessary ledger accounts in the books of old firm and Balance-Sheet in the book of New firm.

OR

QN.3. (B) Mr. Bill and Mr. Will are partners in BW & CO. in a similar type of business Mr. Mill and Mr. Gill are partners in MG & CO. It was agreed that 1<sup>st</sup> April, 2013 the old firm be amalgamated into one new firm, BMW Group.

The respective balance sheet of the old firm as on 31<sup>st</sup> march, 2013 were as follows: (20)

Liabilities	BW & CO.	MG & CO.	Assets	BW & CO.	MG & CO.
Capitals:			Land & building	29,600	40,000
Bill	61,200	-	Furniture	7,200	5,600
Will	44,000	-	Vehicles	12,000	7,200
Mill		45,200	Stock	33,200	26,400
Gill		29,600	Investment	3,200	-
Creditors	20,800	24,000	Debtors	27,200	23,200
Bank overdraft	-	3,600	Bank	13,600	-
	1,26,000	1,02,400		1,26,000	1,02,400

Profit sharing Ratio:

	Bill	Will	Mill	Gill
Old firms	4	3	3	2
New firms	6	5	4	3

Terms and condition of amalgamation:

1. Provision for doubtful debts @ 5% to be made on debtors.
2. Rebate on the liabilities of creditors to be provided @ 2%.
3. New firms to take over the assets of old firms as under:

Particular	BW & CO.	MG & CO.
Assets:		
Stock	33,800	25,560
vehicles	11,200	5,200
furniture	6,400	-
Land & building	40,000	-
Goodwill	25,200	18,000

Furniture and Land & Building not taken over by new firm were sold for 54000 on 1<sup>st</sup> April, 2021 by MG & CO.

4. Mr. Will to take over investment for 3040.
5. Bank balance / overdraft to be taken over at book value.
6. The capitals of the partners in the new firm were to be 2, 16,000 to be contributed in profit sharing ratio, any adjustment to be made in cash.

You are required to close the books of the old firms and prepare the Opening Balance Sheet of the new firm.

QN.4. (A) A, B and C were in partnership sharing profits and losses in the ratio 2:1:1. They decided to dissolve the partnership on the basis of the following Balances Sheet:

(20)

Balance sheet As On 31- 3-2021			
Liabilities	₹.	Assets	₹.
Sundry Creditors	5,000	Premises	40,000
Loan on (Mortgage of premises)	30,000	Sundry Debtors	60,000
Partner's Loan (A)	15,000	Stock	70,000
General Reserve	10,000	Cash	3,000
Partner's capitals			
A 50,000			
B 40,000			
C 23,000	1,13,000		
	1,73,000		1,73,000

The assets were piecemeal as follows:

Particular	₹.	₹.
June -2021	5,000 Received after meeting in full Mortgage Loan	
July--2021	Debtors -15,000	Stock- 10,000
August -2021	Debtors -20,000	Stock-25,000
September-2021	Debtors -17,000	Stock Rs 23,000 (Final)

The remaining stock was taken over by an agreed value of Rs-3,000. The Sundry Creditors were settled for Rs- 4,000. The partners decided to distribute the cash as and when realized.

You are required to show the distribution of case applying the "Highest Relative Capitals" Method.

OR

Q.N.4. (B) Shivam and Sunil were partners sharing profit and losses in the ratio of 2:1. Their Balance sheet as on 31<sup>st</sup> March 2022 showed the following financial position (20)

Balance sheet As On 31- 3-2022			
Liabilities	₹.	Assets	₹.
Capital Accounts		Freehold Premises	62,000
Shivam	50,000	Plant & Machinery	18,000
Sunil	40,000	Stock	32,000
Current Account		Bank Debts	40,000
Shivam	26,000	U.T.I. Bank	45,000
Sunil	18,000		
Shivam Loan Account	40,000		
Accounts Payable	24,000		
	1,98,000		1,98,000

The partners wishing to dissolve the firm accepted the offer of Chhaya Ltd. Acquire the stock and fixed assets at an inclusive price of Rs. 1, 40,000.

The purchase consideration was to satisfied by (a) a cash payment of Rs. 35,000 (b) allotment to the partners 6,000 6% preference shares of Rs. 10 each, valued at Rs. 8 per share (c) 57,000 ordinary shares of Rs. One each

The book debts realized Rs. 38,000 and Accounts Payable were settled by Rs. 22,000. The partners agreed that the following should be the basis of distribution on dissolution of the partnership

- Shivam to be allotted preference share in settlement of his loan, the remaining preferences shares being allotted equally to them.
  - The ordinary shares to shares allotted in the ratio of profit sharing.
  - The balance to be paid in Cash
- You are required to prepare
- Realization accounts
  - Partner's Capital and Current Accounts
  - Chayya Ltd. Accounts
  - Cash Accounts

Q.N. 5. (A)

(i) Write Any Ten Journal entries with narration in Conversion/sale of a Partnership into Limited Company. (10)

(ii) Write down liabilities of a partnership firm in the order of Payments under piecemeal distribution (10)

OR

Q.N. 5.(B) Write Short Note on- (Any Four) (20)

- Surplus Capital Method
- Fixed Capital Method
- Fluctuating Capital Method
- Explain - Net Assets Method of Purchase Consideration
- Explain - (i) Lumpsum Method (ii) Payment Method
- Objectives of Amalgamation of Firm