

- Note : 1) All Questions are compulsory.
2) Figures to right indicate Full marks.
3) Use of simple calculator is allowed.

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Q.1 A) True or False.

- 1) Dividends are the cash flows returned to the shareholders.
- 2) Liquid Ratio should be 1:1
- 3) Stock treated as liquid Asset.
- 4) Management Accounting Facilitated effective functioning of organization.
- 5) Contingent liability appear in Balancesheet.
- 6) Sale - cost of sold = Gross Profit
- 7) Debt-Equity Ratio is income statement ratio.
- 8) There is no difference in non-operating expenses & non-cash expenses.
- 9) Goodwill treated as current Asset.
- 10) Floating assets mean fixed assets.

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Q.1.B) Match the pair.

(A)

- 1) Free Gift Shares
- 2) Equity Share Capital
- 3) Current Ratio
- 4) Net Profit Ratio
- 5) Goodwill
- 6) Management Accounting
- 7) Capital Gearing Ratio

(B)

- 1) Image of Business
- 2) Income Statement Ratio
- 3) Bonus Shares
- 4) Balancesheet Ratio
- 5) Current Assets - Current Liabilities
- 6) Permanent Capital
- 7) Effective Function of Management

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Q.2.) Prepare vertical Balancesheet

Liabilities	(Rs.)	Assets	(Rs.)
Equity Share Capital (Rs. 10)	2,50,000	Land & Building	5,00,000
10% Preference Cap (Rs.100)	2,00,000	Plant	3,50,000
General Reserves	2,50,000	Copy Rights	1,00,000
Profit / Loss A/c	1,55,000	Furniture	2,00,000
Security Premium	50,000	Stock	3,00,000
9% Debenture	2,00,000	Debtors	2,00,000
Public Deposits	2,50,000	Bills Receivable	1,00,000
Accounts Payable	2,50,000	Cash and Bank	50,000
Bank Overdraft	50,000	Advance Tax	1,00,000
Provision for Tax	2,45,000		
	19,00,000		19,00,000

OR

Q.2. Prepare a comparative Statement with the help of following information

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Liabilities	2011	2012	Assets	2011	2012
Equity	3,00,000	3,00,000	Land	1,50,000	1,46,250
G/Reserves	1,00,000	1,00,000	Plant	3,00,000	3,22,750
P/L A/c	40,000	63,000	Furniture	60,000	40,000
12% Debenture	1,50,000	1,00,000	Stock	86,000	80,000
Creditors	60,000	1,40,000	Debtors	95,000	1,63,000
Out. Exp.	20,000	20,000	Cash	15,000	5,000
Provision For Tax	1,40,000	1,35,000	Bank	10,000	6,000
			Advance Tax	84,000	90,000
			Preliminary Exp	10,000	5,000
	8,10,000	8,58,000		8,10,000	8,58,000

Q.3.) Trading P/L A/c 31st March 2017

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Particulars	(Rs.)	Particulars	(Rs.)
To Opening Stock	27,150	By Sales	2,55,000
To Purchases	1,63,575	By Closing Stock	42,000
To Carriage	4,275	By Interest Received on investment	2,700
To Office Expenses	45,000		
To Sales Expenses	13,500		
To Loss on sale of Assets	1,200		
To Net Profit	45,000		
	2,99,700		2,99,700

- a) Gross Profit Ratio
 b) Operating Ratio
 c) Stock Turnover Ratio
 d) Office Exp. Ratio
 e) Net Profit before Tax Ratio

OR

Calculate earning per shares & dividend, pay-out ratio, Debt equity ration with the help of following information. **15M**

Particulars	A	B	C	D
Equity Shares (10 each)	50,000	60,000	80,000	1,00,000
10% Preference	30,000	20,000	15,000	25,000
Profit after tax	20,000	15,000	10,000	12,000
Proposed Div.	4,000	3,000	5,000	2,000
Borrowed Cap.	40,000	30,000	50,000	80,000
Market Price	100	120	125	140

Q.4.) Prepare Statement of working capital for 80,000 units

Cost P.V. -	
Material	50
Labour	30
Overhead	10
	90
(+) Profit	10
Sale	100

- 1) Stock of Raw Material stay 2 months.
- 2) Stock of W.I.P. for 3 months.
- 3) Stock of finished goods for 4 months.
- 4) Debtors allowed 3 months credit 20% debtors on cash basic.
- 5) Creditors allowed 2 months credit 30% purchase on cash basic.
- 6) Time lag in wages 1 months
- 7) 10 % margin of safety on Gross Working Capital

OR

Q.4.] The following data of Jay Ltd.

Earning Per Share	-	6.00
Rate of Return	-	18%
Cost of Capital	-	15%

- 1) Calculate price per share when dividend payout ratio is 30% & 40%
- 2) As per Gordon's basic valuation formula holds, what will be the price per share when dividend payout is 30% & 40%

Q.5. Answer the following question.

- 1) Explain different types of ratio with example.
- 2) What is management accounting? & its important.

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OR

Q.5. Short Notes :- (Any 5)

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- 1) Distinguish between Financial Accounting & Management Accounting
- 2) What do you mean by Quick Assets Accounting?
- 3) Limitation of Ratio Analysis with example.
- 4) Factors determine requirement of working capital
- 5) Permanent working capital
