

---

Part III  
COMMERCE, Paper – II  
(English Version)

---

[Time: 3 Hours]

[Max. Marks: 100]

Part I  
Marks – 50  
SECTION – A

Answer ANY TWO of the following questions not exceeding 40 lines each:

2 x 10 = 20

1. What is Stock Exchange ? Explain its functions.
2. What do you understand by e-banking ? Explain the various types of e-banking.
3. Explain the principles of Management.

SECTION – B

Answer ANY FOUR of the following questions not exceeding 20 lines each:

4 x 5 = 20

4. Distinguish between Home Trade and Foreign Trade.
5. What are the thrust areas of Investment identified by the Government of Telangana.
6. Explain the functions of entrepreneurs.
7. State the features of Insurance.
8. Explain any *five* principles of directing.
9. What are the differences between Primary market and Secondary market ?

SECTION – C

Answer ANY FIVE of the following questions not exceeding 5 lines each:

5 x 2 = 10

10. What is Rights issue ?
11. What is A.T.M.

12. Who is the Drone Entrepreneur ?
13. Write about the Bridge Loans.
14. Who are Cheap Jacks ?
15. What do you mean by Multiple Shops ?
16. What is Letter of Credit ?
17. Define Staffing.

Part II  
Marks – 50  
SECTION – D

Answer the following question :

1 x 10 = 20

18. Mohan and Vikram are partners sharing profits and losses in the ratio of 3 : 2 respectively. Their Balance Sheet as on 31<sup>st</sup> March, 2019 was as under :

Liabilities	Amount	Assets	Amount
Creditors	30,000	Cash	20,000
Bills Payable	20,000	Bills receivable	6,000
General Reserve	40,000	Debtors	35,000
Capital:		Stock	24,000
Mohan	80,000	Machinery	45,000
Vikram	60,000	Furniture	20,000
		Land	80,000
	-----		-----
	2,30,000		2,30,000

On the date Suman was admitted into partnership for  $\frac{1}{4}$  share in the future profit on the following conditions:

- (a) Suman should bring Rs.50,000/- towards capital and Rs.25,000/- towards goodwill in Cash.
- (b) Land appreciated by 20%
- (c) Stock to be valued at Rs.20,000/-.
- (d) Provide bad debts 10% on debtors.
- (e) Machinery depreciated by 10%

Give necessary Ledger Accounts and Opening Balance Sheet of new firm.

SECTION - E

Answer ANY ONE of the following questions :

1 x 10 = 10

19. Raju of Warangal consigned goods worth Rs.60,000/- to Venu of Hyderabad. Raju paid cartage and other expenses Rs.4,000/-. Venu sent the account sales with the following information :

- (a) 50% of goods sold for Rs.42,000/-
  - (b) Venu incurred expenses Rs.1,200/-
  - (c) Venu entitled to receive commission 10% on sales.
- Bank draft was enclosed for balance.

Prepare the necessary Ledger Accounts in the books of Raju.

20. From the following Receipts and Payments Account prepare the Income and Expenditure Account of Karimnagar Cricket Club for the year ending 31-03-2019.

Receipts and Payments A/c			
Dr.			Cr.
Receipts	Amount	Payments	Amount
To Balance b/d	10,000	By Buildings	50,000
To Subscriptions	30,000	By Furniture	13,000
To Life membership fee	3,000	By Sports material	5,000
To Donations	40,000	By Expenditure on sports	7,000
To Income on sports	20,000	By Newspapers	1,500
To Sundry receipts	5,000	By Salaries	8,000
To Sale of old newspapers	500	By Balance c/d	24,000
	-----		-----
	1,08,500		1,08,500

Adjustments :

- (a) Capitalise the 50% Donations and Life membership fee.
- (b) Outstanding subscriptions Rs.4,000/-
- (c) Provide depreciation on sports material 10%
- (d) Outstanding salaries Rs.2,000/-

## SECTION – F

Answer ANY TWO of the following questions :

2 x 5 = 10

21. Explain any *five* differences between Receipts and Payments Account and Income and Expenditure Account.
22. Kumar purchased a machine on 1<sup>st</sup> April, 2015 for Rs.50,000/-. Depreciation is provided at the rate of 10% under fixed instalment method. The machine was sold on 31<sup>st</sup> March, 2019 for Rs.25,000/-. Prepare Machinery account by assuming that the accounts are closed at the end of the financial year.
23. Prepare Receipts & Payments account from the following particulars.

2021	Rs.
Jan – 1	
Cash in hand	5,000
Cash in bank	8,000
Machinery	12,000
Subscriptions for the year	5,000
Stationery	500
Salaries	2,000
Rent Paid	1,500
Entrance Fees	1,200
Entertainment expenses	700
Donations	1,000

24. Explain any *five* advantages of Computerised Accounting.

## SECTION – G

Answer ANY FIVE of the following questions not exceeding FIVE lines each.

5 x 2 = 10

25. Define Depreciation
26. What is invoice price ?
27. What is Del-credere Commission ?
28. What is Deferred Revenue expenditure ?
29. A and B are partners sharing profits and losses in the ratio of 1 : 2. They agreed to admit C for 1/5 share of profits in the business. Calculate the new profit sharing ratio.
30. What is Goodwill ?
31. What is the feature of scalability ?
32. What is Password ?