

ACCOUNTS

Maximum Marks: 80

Time Allowed: Three Hours

Reading Time: Additional 15 Minutes

Instructions to Candidates

- You are allowed an **additional 15 minutes** for **only** reading the paper.
- You must **NOT** start writing during reading time.
- The question paper has **17** printed pages.
- The Question Paper is divided into **three** sections and has **18 questions** in all.
- **Section A** is compulsory and has **ten** questions.
- You are required to attempt **all** questions either from **Section B or Section C**.
- **Section B** and **Section C** have **four** questions each.
- Internal choices have been provided in **five** questions in **Section A** and in **two** questions in **Section B and Section C**.
- While attempting **Multiple Choice Questions in Sections A, B and C**, you are required to **write only ONE option as the answer**.
- The intended marks for questions or parts of questions are given in the brackets [].
- **All calculations should be shown clearly.**
- All workings, including rough work, should be done on the same page as, and adjacent to, the rest of the answer.

Instruction to Supervising Examiner

- Kindly read aloud the instructions given above to all the candidates present in the examination hall.

SECTION A (60 Marks)

Answer *all* questions.

Question 1

In subparts (i) to (iv) choose the correct options and in subparts (v) to (x) answer the questions as instructed.

- (i) The commission due to a partner is closed by: **(Understanding)** [1]
- (a) Debiting it to Partner's Capital A/c
 - (b) Crediting it to Partner's Capital A/c
 - (c) Debiting it to P/L Appropriation A/c
 - (d) Crediting it to P/L Appropriation A/c
- (ii) On the admission of Adil as a partner, the capitals of Rohan and Pavan, after all adjustments, were ₹ 50,000 and ₹ 40,000. Their capitals before Adil's admission were ₹ 45,000 and ₹ 48,000. [1]
- The capital account of the partner having surplus capital was adjusted through his current account by passing the journal entry: **(Application)**
- (a) Debit Rohan's Capital A/c ₹ 5,000; Credit Rohan's Current A/c ₹ 5,000
 - (b) Debit Pavan's Capital A/c ₹ 8,000; Credit Pavan's Current A/c ₹ 8,000
 - (c) Debit Rohan's Current A/c ₹ 5,000; Credit Rohan's Capital A/c ₹ 5,000
 - (d) Debit Pavan's Current A/c ₹ 8,000; Credit Pavan's Capital A/c ₹ 8,000
- (iii) Choose the components required to calculate goodwill of a firm by *Capitalisation of Average Profits Method*. **(Recall)** [1]
- P** The normal profits of a similar firm in the industry
 - Q** The average profits of the firm
 - R** The number of years' purchase
 - S** The actual capital employed in the business
- (a) P, Q, R
 - (b) Q, R, S
 - (c) P, Q, S
 - (d) P, R, S

- (iv) Given below is a fictitious scenario. Read the information and answer the question that follows: [1]

Bhim International Ltd., in order to raise additional funds for expansion purpose, took a loan of ₹ 10,00,000 at a rate of 12% per annum from NZ Bank on 1st July, 2023, against which it offered ₹ 15,00,000, 8% Debentures of ₹ 100 each as a collateral security.

Calculate the finance cost to the company for the year 2023-24.

(Application)

- (a) ₹ 1,20,000
(b) ₹ 2,40,000
(c) ₹ 90,000
(d) ₹ 1,80,000
- (v) Ira (a partner in a firm) was allowed to retain the whole of the stock as her remuneration for services rendered by her in the course of dissolution of the firm. The value of stock was ₹ 10,000 which had been transferred to the Realisation Account. **Complying with the accounting principle of full disclosure, record the above transaction in the books of the partnership firm at the time of its dissolution.** [1]

(Application)

- (vi) Aman and Vinod are partners in a firm. Their Balance Sheet showed: [1]

Gross Debtors: ₹ 1,52,000

Provision for doubtful debts: ₹ 1,000

On Milin's admission as a new partner, the assets and liabilities are to be revalued as:

- Unaccounted accrued income of ₹ 10,000 to be provided for
- Bills Payable of ₹ 10,000 which were recorded, to be discharged at a rebate of 10%
- Debtors of ₹ 2,000 to be irrecoverable
- Provision for doubtful debts to be provided @ 2% of the debtors

What is the net effect of revaluation of assets and liabilities? (Application)

- (vii) **Assertion:** A company can reissue a forfeited share at an amount which is less than the amount not received on it. [1]

Reason: A company can write off the net loss made on the reissue of a forfeited share from its capital reserve.

Which one of the following is correct?

- (a) Both Assertion and Reason are true and Reason is the correct explanation for Assertion.
(b) Both Assertion and Reason are true but Reason is not the correct explanation for Assertion.
(c) Assertion is false and Reason is true.
(d) Both Assertion and Reason are false. (Evaluate)
- (viii) Mention the liability of a partnership firm which is not shown in its Balance Sheet, but is paid off at the time of the dissolution of the firm. [1]
(Understanding)

- (ix) The Adani family has raised their stake in Ambuja Cements by the conversion of 21.20 crore warrants into shares in a transaction that will see them infusing nearly ₹ 6,661 crore. [1]

(Source: *The Telegraph, Kolkata, 29 March, 2024*)

(Recall)

- (a) What is a *share warrant*?
- (b) Mention the *head* under which *Money received against Share Warrants* is shown in the Balance Sheet of a company prepared as per Schedule III of the Companies Act, 2013.

- (x) On 1st April, 2023, Zara Ltd. issued 10,000, 6% Debentures of ₹ 100 each at a discount of 5%. On 31st March, 2024, the company had ₹ 40,000 in its Capital Reserve A/c and ₹ 30,000 as balance of Securities Premium. [1]

Give the journal entry to write off the discount on issue of debentures on 31st March, 2024. (Application)

Question 2

[3]

Mita, Sita and Rita are partners in a firm. Rita retires from the firm on 31st March, 2024. Her claim, including her capital and her share of goodwill, is determined at ₹ 2,50,000.

On this date the firm's books showed:

- (a) An unrecorded investment valued at ₹ 60,000 which was given to an unrecorded creditor of ₹ 1,16,000 in settlement of his claim of ₹ 70,000.
- (b) An unrecorded vehicle which was given to Rita at the market value of ₹ 46,000 in part settlement of her claim.

The balance of Rita's claim was discharged by cheque.

You are required to pass journal entries to record the above transactions in the books of the firm on 31st March, 2024. (Application)

OR

Akshat, Javed and Gaurav are partners in a firm sharing profits in the ratio of 5:3:7.

Akshat died on 31st March, 2024.

Javed and Gaurav decided to share the profits in reconstituted firm in the ratio 2:3.

The capital accounts of the partners on 31st March, 2024, before considering the firm's goodwill were:

Akshat ₹ 1,66,000

Javed ₹ 66,000

Gaurav ₹ 1,41,000

After considering the adjustment for goodwill, Akshat's share was determined to be ₹ 1,81,000. It was decided that this amount would be paid to Akshat's executor immediately by the firm through a cheque, the amount being contributed by Javed and Gaurav in such a manner that their capitals would become proportionate to their new profit-sharing ratio.

You are required to pass journal entries to record:

- (i) **The adjustment for self-generated goodwill of the firm.**
- (ii) **Cash brought in by Javed and Gaurav to pay off Akshat's executor.**
- (iii) **Payment made to Akshat's executor.** (Application)

Question 3**[3]**

On 1st April, 2023, Ruth Ltd. purchased Plant and Machinery for ₹ 11,00,000 from Pablo Ltd. payable as to ₹ 1,00,000 by accepting a promissory note and the balance by an issue of 11% Debentures of ₹ 100 each at a premium of 10% to be redeemed at a premium of 2 % after six years.

You are required to pass journal entries in the books of Ruth Ltd. only to record the payment made to Pablo Ltd. (Application)

OR

A limited company made an issue, which was fully subscribed, of 2,000, 5% Debentures of ₹ 100 each at ₹ 96, to be redeemed at par after five years. The debentures were allotted on 31st May 2023, subscriptions being payable:

15% on application

30% on allotment

30% on 30th June, 2023

Balance on 30th September 2023

One debenture holder holding 100 debentures paid the allotment with the first call along with interest on calls-in-arrears @ 10% per annum.

You are required to:

(i) Give the amounts in rupees payable with:

1. Allotment

2. Second and Final Call

(ii) Prepare the Interest-on-Calls in Arrears A/c.

[2]**[1]****(Application)****Question 4****[3]**

Ronny Ltd. (an unlisted construction company) redeems its 7,000, 10% Debentures of ₹ 100 each at a premium of 5 % in instalments, as follows:

Date of Redemption	Debentures to be redeemed
31 st March, 2022	2,000
31 st March, 2023	3,000
31 st March, 2024	2,000

You are required to prepare for the year 2023-24:

(i) General Reserve Account.

(ii) Debenture holders' Account. (Ignore interest on Debentures)

(Application)

Question 5

[3]

Kriti and Atif are partners sharing profits and losses equally. On 31st March, 2024, they admitted David as a third partner for $\frac{1}{5}$ share in the profits.

It is decided that on David's admission:

- Atif would retain his original share
- Goodwill would be valued by the super profit method on the basis of the following information:

- (a) **Balance Sheet of Kriti and Atif (an extract)**
As at 31st March, 2024

Liabilities	Amount (₹)	Assets	Amount (₹)
General Reserve	25,000	Current A/c	
Capital A/c		Atif	10,000
Kriti	2,50,000		
Atif	1,75,000		
	4,25,000		
Current A/c			
Kriti	40,000		

- (b) The normal rate of return is 12% per annum.
(c) Average profits of the firm for last four years are ₹ 74,000.

(Application)

You are required to calculate:

- (i) The sacrificing ratio of the partners.
(ii) The value of goodwill of the firm at four years' purchase of the super profit.

Question 6

[6]

The following balances have been extracted from the books of Nirvana Ltd, as at 31st March, 2024:

Particulars	(₹)	Particulars	(₹)
Security deposit for electricity for ten years	30,000	Uncalled amount on partly paid-up shares	8,00,000
Underwriting commission	20,000	10% Debentures	5,00,000
General Reserve	70,000	Statement of P/L (Dr)	10,000
Fixed Deposits	2,00,000	Calls-in arrears @ ₹1 per share	40,000
Premium on redemption of Debentures	20,000	Securities Premium	2,00,000
Equity Share Capital (1,00,000 shares of ₹ 10 each)	10,00,000		

You are required to show the above items in Notes to Accounts accompanying the Balance Sheet of Nirvana Ltd. prepared as per Schedule III of the Companies Act 2013 as at 31st March, 2024.

(Application)

Question 7

[6]

Anita and Anil are partners in a firm. On 1st April, 2024, they admitted Jia as a third partner. The capital accounts of the partners after considering the following adjustments on Jia's admission are given below:

- Loss on revaluation due to depreciation on machinery @ 20% per annum.
- The General Reserve maintained in the old firm was not to be disturbed in the reconstituted firm.

Partners' Capital Accounts

Particulars	Anita (₹)	Anil (₹)	Jia (₹)	Particulars	Anita (₹)	Anil (₹)	Jia (₹)
To Goodwill A/c	10,000	10,000		By Balance b/d	90,000	80,000	
To P&L A/c	5,000	5,000		By Bank A/c			75,000
To Revaluation A/c	7,500	7,500		By Premium for Goodwill A/c	25,000	25,000	
To Balance c/d	1,17,500	1,07,500	75,000	By Jia's Current A/c	25,000	25,000	
	1,40,000	1,30,000	75,000		1,40,000	1,30,000	75,000

Additional information:

On 31st March, 2024, the firm of Anita and Anil, apart from plant and machinery and a bank balance of ₹ 2,15,000, had no other asset.

You are required to prepare the Balance Sheet of the reconstituted firm on the date of Jia's admission after considering the information given above.

(Show your workings clearly)

(Application)**OR**

Alfa and Beta are partners in a firm. Their Balance Sheet as at 31st March, 2024, is given below:

**Balance Sheet of Alfa and Beta
As at 31st March, 2024**

Liabilities	(₹)	Assets	(₹)
Sundry Creditors	1,16,000	Cash at Bank	93,600
Workmen's Compensation Reserve	24,000	Sundry Debtors	76,400
Capital Accounts:		Stock	1,10,000
Alfa	1,00,000	Investment	20,000
Beta	80,000	Goodwill	20,000
	1,80,000		
	3,20,000		3,20,000

(Application)

On 1st April, 2024, they admit Beta's son Gama, as a partner on the following terms:

- Gama to have $\frac{1}{4}$ share of profits, half of which is to be gifted to him by his father and the remaining half to be purchased from Alfa.

- (b) Gama to bring in ₹ 60,000 as his capital but would be unable to bring in cash his share of goodwill.
- (c) Goodwill of the firm to be valued at ₹ 40,000.
- (d) 50% of the investment to be taken over by Alfa and Beta in their profit-sharing ratio.
- (e) The liability on account of Workmen's Compensation Claim to be ₹ 30,000.

You are required to:

- (i) Calculate the new profit-sharing ratio of all the partners. [1]
- (ii) Prepare the Partners' Capital Accounts. [5]

(Application)

Question 8

[6]

Atul and Peter were partners in a firm sharing profits and losses in the ratio of 3:5. They dissolved their firm on 31st March, 2024, when their Balance Sheet showed the following balances:

Particulars	(₹)
Atul's Capital	40,000
Peter's Capital	35,000
Atul's Current Account	3,000 (Dr)
General Reserve	22,000
Loan from Atul	12,000

On the date of dissolution of the firm:

- (a) Peter paid the realisation expenses of ₹ 2,000 on behalf of the firm.
- (b) Atul discharged his wife's loan of ₹ 5,000 which she had given to the firm.
- (c) The dissolution resulted in a profit of ₹ 24,000 from the realisation of assets and settlement of liabilities.

You are required to pass journal entries to close the books of the firm (including the entries to show the final settlement of the amount due from the partners / due to the partners by the firm).

(Application)

Question 9

- (A) Deb, Riza and Ved entered into a partnership on 1st July, 2023, without any agreement as to profit sharing, except that Deb guaranteed that Ved's share of profit, after considering interest into account, would not be less than ₹ 8,500 per annum.

The initial capital provided by the partners was as follows:

Deb ₹ 60,000;

Riza ₹ 20,000;

Ved ₹ 12,000 (increased on the following 1st January, 2024, to ₹ 16,000)

In addition to the above capital, Deb and Riza gave temporary loans to the partnership firm as follows:

- Deb advanced ₹ 18,000 on 1st October, 2023, and was repaid on 1st April following.

- Riza advanced ₹ 40,000 on 1st September, 2023, and was repaid along with interest, on 1st December, 2023.

The profit of the firm for the year ended 31st March, 2024, before providing for any interest was ₹ 21,000.

You are required to prepare for the year 2023-24:

- (i) **Profit and Loss Appropriation Account.** [4½]
- (ii) **Riza's Loan Account.** [1½]
- (iii) **Ved's Capital Account.** [2]

(Application)

(B) Krish and Tarun are partners in a firm with capitals of ₹ 40,000 and ₹ 60,000. As per their partnership deed:

- (a) Interest on capital is to be allowed to them @ 5% per annum.
- (b) Profits are to be shared in the ratio of 3:2.

The trading profits for the year 2023-24 was ₹ 3,600.

You are required to calculate the interest on capital allowed to the partners in the year 2023-24. [2]

(Application)

OR

Deepa, Ridhi and Adit are partners in a firm. Following are the particulars of their Capital and Drawings Accounts for the year 2023-24:

Particulars	Deepa (₹)	Ridhi (₹)	Adit (₹)
Capital as on 1 st April, 2023	1,00,000	80,000	20,000 (Dr)
Drawings (in two instalments of ₹ 7,500 each made at the end of every half year)	-----	15,000	-----
Interest free loan from the firm	-----	-----	5,000

According to their partnership deed:

- Profits were to be shared in the ratio of 2:2:1
- Interest on capital to be allowed @ 5% per annum
- Interest on drawings to be charged @ 8% per annum

The trading profits of the firm for the financial year 2023-24 were ₹ 50,000, before considering the discrepancy of having recorded the inventory at ₹ 10,000 when its realisable value was ₹ 4,000.

- (i) **You are required to give:**
 - 1. **The adjusting entry and closing entry for Drawings made by Ridhi** [2]
(Recall)
 - 2. **The adjusting entry and closing entry for Interest on Drawings** [2]
(Application)
 - 3. **The adjusting entry and closing entry for Interest on Capital** [2]
(Application)
 - 4. **The entry to close the Adit's Loan A/c** [2]
(Application)
- (ii) The accountant of the firm distributed the divisible profit among the partners in the ratio 2:1:2 instead of in the ratio mentioned in the deed. [2]
You are required to rectify the lapse in accounting by passing a single adjusting entry. [2]
(Application)

Question 10**[10]**

Hero Ltd. was registered with a capital of ₹ 5,00,000 divided into 20,000 shares of ₹ 25 each, payable as:

On Application	₹ 5 per share
On Allotment	₹ 10 per share
On Call	The Balance

The company offered to the public for subscription 10,000 shares. It received applications for 11,100 shares.

From amongst the applicants:

- Vimal, who had applied for 1,200 shares, paid ₹ 6,000 on application. but was allotted only 600 shares.
- Mohan applied for 1,000 shares, paid the full amount of ₹ 25,000 with his application but was allotted only 500 shares.
- Vineet, who had applied for 1,500 shares, paid his application and allotment money in order but did not pay the call money.
- The remaining applicants paid as and when due.

The surplus money paid by both Vimal and Mohan was used towards allotment and call and any surplus beyond the call was refunded.

The company forfeited Vineet's shares and later re-issued 500 of the forfeited shares @ ₹ 20 per share fully paid up.

You are required to pass journal entries in the books of Hero Ltd.

(Application)**OR**

Stem Ltd. came up with an IPO inviting the public to subscribe to its Equity shares of ₹ 10 each. The issue was over-subscribed. The company allotted 80,000 shares to all the applicants making a pro-rata allotment in the ratio of 3:2.

The face value of the share was payable in three instalments.

Based on the information given above and the following extract of ledger accounts and Cash Book (Bank Column), answer the questions that follow:

Cash Book (Bank Column) (extract)

Particulars	Amount (₹)	Particulars	Amount (₹)
To Share Application A/c	4,80,000	By Balance c/d
To Share Allotment A/c		

Share Capital A/c (extract)

Particulars	Amount (₹)	Particulars	Amount (₹)
To Share Forfeiture A/c	By Share Application A/c
To Call-in arrears A/c	By Share Allotment A/c	4,00,000
		By Share Final Call A/c

Calls-in-Arrears A/c (extract)

Particulars	Amount (₹)	Particulars	Amount (₹)
To Share Allotment A/c	6,000		

- What are the number of shares applied for by the public? [1]
- What is the amount payable per share with application? [1]
- What is the amount payable per share with first and final call? [1]

- (iv) Stem Ltd. did not receive the allotment money and call money due from the shareholder Rehan, who had applied for 3,000 shares. [2]
 What is the amount received by Stem Ltd. with allotment?
- (v) Stem Ltd. forfeited Rehan's shares after the final call. It reissued 1,500 forfeited shares fully called up @ ₹ 13 per share
 Give the journal entries passed by the company for:
- (a) Forfeiture of these shares [2]
 (b) Reissue of the forfeited shares. [3]

(Application)

SECTION B (20 Marks)

Question 11

In subparts (i) and (ii) choose the correct options and in subparts (iii) to (v) answer the questions as instructed.

- (i) According to the ratings agency Chrisil, healthy demand for grocery items and expansion into tier II and III cities will help organized brick-and-mortar food and grocery (F&G) retailers log a revenue of 14-15% in FY25. The agency further said the debt raising will be capped to ensure healthy key debt protection metrics. [1]

Source (edited): Financial Express, 23 December, 2023

From the following ratios:

- Choose the formula of the ratio to be used by the F&G retailers as a debt protection metrics (Analysis)
- Mention the name of the ratio so chosen (Recall)

- (a) $\frac{\text{Revenue from Operations}}{\text{Working Capital}}$
- (b) $\frac{\text{Cost of Revenue from Operation} + \text{Operating Expenses}}{\text{Revenue from Operations}} \times 100$
- (c) $\frac{\text{Net Profit before interest and taxes}}{\text{Fixed Interest Charges}}$
- (d) $\frac{\text{Net Profit after Tax and Preference Dividend}}{\text{No. of Equity Shares}}$

- (ii) Read the following news item of ITC Ltd. and answer the question that follows: [1]
 The company's board declared an interim dividend of ₹ 6.25 per share for the financial year ending March, 2024. The dividend will be paid between February 26-28, 2024, to the eligible shareholders.

(Source: The Hindu, Financial Express, 30 January, 2024)

Which of the following are the attributes of interim dividend? (Understanding)

- P** It is a charge against profits.
Q It is an appropriation of profits.
R Its declaration and payment will decrease the company's Current Ratio.
S Its declaration and payment will increase the company's Debt Equity Ratio.

- (a) Only P
(b) Only Q
(c) P, R and S
(d) Q, R and S
- (iii) Bajaj Hindustan Sugar, one of the largest sugar and ethanol producers, in order to revive the company, has offered to invest ₹ 2,500 crore as fresh equity of which ₹ 1,000 crore has already been infused. [1]
(Source (edited): *Economic Times, Mumbai Edition 08, August, 2023*)
What will be the effect of this decision of Bajaj Hindustan Sugar on its Debt-Equity Ratio? (Analysis)
- (iv) Jubilant Food Works Ltd., the company that operates Domino's restaurants in India, reported a net profit of ₹ 65.7 crore for the three months ending, 31st December, 2023, against ₹ 80 crore for the three months ending, 31st December, 2022. [1]
(Source (edited): *Mint, 01 February, 2024*)
You are required to give, for the three months ending, 31st December, 2023, as compared to the same period ending, 31st December, 2022:
(a) The formula to calculate the percentage change in net profit of the company.
(b) The percentage change in the net profit of Jubilant Food Works Ltd. of the three months ending 31st December, 2023 vis-a-vis the three months ending, 31st December, 2022, mentioning the increase / decrease. (Analysis)
- (v) Read the news item given below and answer the questions which follow: [1]
Tata Consultancy Services ₹ 17,000 crore share buyback programme will open on December 1 and close on December 7, India's largest software exporter said on Tuesday.
"The company believes that the buyback is not likely to cause any material impact on the profitability or earnings of the company except to the extent of reduction in the amount available for investment, which the company could have otherwise deployed towards generating investment income", TCS said in a regulatory filing.
(Source: *Economic Times, December 29, 2023*)
How would the Cash Flow from Investing Activities of TCS be affected, if instead of buying back its shares, the company had proceeded with its investing programme? (Application)

Question 12

[3]

From the following information, you are required to prepare a Common Size Balance Sheet of Super Ltd. as at 31st March, 2024.

Particulars	
Non-Current Liabilities	₹ 2,00,000
Shareholders' Fund	2.5 times more than the Non-Current Liabilities
Current Liabilities	₹ 1,00,000
Current Assets	₹ 3,00,000
Non-Current Assets	70% of the Equity & Liabilities

(Application)

Question 13

Anand Ltd. reported a loss of ₹ 80,000 for the year ended 31st March, 2024, after considering the depreciation charged on Plant & Machinery represented by '??' and the following items:

	(₹)
(a) Tax provided during the year	84,000
(b) Loss on sale of Plant & Machinery	15,000
(c) Interest on Short-term Loans and Advances	2,000
(d) Depreciation on Plant & Machinery	??

Additional information:

- During the year 2023-24:
 - A machine having a book value ₹ 40,000, was disposed of for ₹ 25,000 and a machine costing ₹ 2,20,000 was purchased.
 - Credit sales were ₹ 1,00,000
- An extract of the balance sheet of the company as at 31st March, 2023, and as at 31st March, 2024:

Particulars	31 st March, 2024 (₹)	31 st March, 2023 (₹)
Trade Receivable	20,000	15,000
Cash at Bank	8,000	10,000
Short-term Loans and Advances	49,000	11,000
Trade Payables	5,000	2,000
Plant & Machinery (At Net Value)	6,00,000	4,90,000
Provision for depreciation	1,50,000	1,10,000

(Evaluate)

- (i) You are required to calculate for the year 2023-24: (Show the workings clearly)
- The net operating profit of the company before working capital changes. [2]
 - Cash from Investing Activity. [2]

- (ii) Taking the information of credit sales into consideration, state with *reason*, whether the increase in Trade Receivables in the year 2023-24 over the year 2022-23 will cause the cash from operating activities before tax paid to be *more* or *less* than the net operating profit of the company before its working capital changes. [2]

OR

From the following Balance Sheets of Ronald Ltd., you are required to prepare a Cash Flow Statement (as per AS 3) for the year 2023-24. [6]

Balance Sheets of Ronald Ltd.

As at 31st March, 2024 and 31st March, 2023

Particulars	Note No.	31.03.2024 (₹)	31.03.2023 (₹)
I EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital		6,00,000	6,00,000
(b) Reserves and Surplus (Statement of P &L)		80,000	(60,000)
2. Non- Current Liabilities			
Long Term Borrowings		1,00,000	1,50,000
3. Current Liabilities			
(a) Short –term borrowings (Bank overdraft)		1,75,000	22,000
(b) Short Term Provisions (Provision for Tax)		15,000	28,000
TOTAL		9,70,000	7,40,000
II ASSETS			
1. Non- Current Assets			
(a) Property, Plant & Equipment & Intangible Assets			
(i) Property, Plant & Equipment (Plant & Machinery)		5,50,000	6,40,000
(b) Non- Current Investments (7% Debentures of Violet Ltd.)		1,40,000	50,000
2. Current Assets			
Cash & Bank Balance (Bank)		2,80,000	50,000
TOTAL		9,70,000	7,40,000

Additional information:

- (i) The Debentures of Violet Ltd. were purchased on 31st March, 2024.
(ii) During the year 2023-24:
(a) Tax of ₹ 20,000 was paid.
(b) Interest on all borrowings due and paid was ₹ 25,000.

(Application)

Question 14

[6]

Answer any three of the following questions:

- (i) Calculate Interest Coverage Ratio of Criss Cross Ltd. (up-to two decimal places) from the following information:

Particulars	
Net Profit after Interest and Tax	₹ 80,000
Tax Rate	50 %
12% Debentures	₹ 3,00,000
9% Bank Loan	₹ 1,00,000

(Application)

- (ii) Calculate the Operating Ratio of Zen Ltd. (up-to two decimal places) from the following information:

Particulars	
Revenue from Operations	₹ 9,00,000
Gross Profit	20 % of cost
Operating Expenses	₹ 60,000

(Application)

- (iii) A company had Current Assets of ₹ 3,00,000 and Current Liabilities of ₹ 1,50,000, having a current Ratio of 2:1.

What will be its revised Current Ratio after it endorses a bills receivable of ₹ 40,000 to one of its creditors?

(Application)

- (iv) From the following particulars of NB Ltd., calculate its Cost of Revenue from Operations for the year 2023-24.

Particulars	
Current Assets	₹ 6,80,000
Current Liabilities	₹ 3,40,000
Quick Ratio	1.5 :1
Inventory Turnover Ratio	4 times

(Application)

SECTION C (20 Marks)**Question 15**

In subparts (i) and (ii) choose the correct options and in subparts (iii) to (v) answer the questions as instructed.

- (i) The fill function can be _____ to complete formulas in a range. (Recall) [1]
- (a) Single clicked
- (b) Double clicked
- (c) Triple clicked
- (d) Right clicked

- (ii) An index is clustered if: (Recall) [1]
- it is on a set of fields that form a candidate key.
 - it is on a set of fields that form a primary key.
 - the data records of the file are organized in the same order as the data entries of the index.
 - the data records of the file are organized *not* in the same order as the data entries of the index.
- (iii) Mention the symbol which specifies the fixed columns or rows in a formula. (Recall) [1]
- (iv) Give the shortcut that is used to select a row in Excel. (Recall) [1]
- (v) What is meant by the term Back-end as used in data applications? (Recall) [1]

Question 16 [3]

- (i) How is a Formula different from a Function in Excel? (Analysis)
- (ii) Why is database testing important? (Recall)

Question 17 [6]

You are required to answer *any three* of the following questions.

- (i) Give *any two* reasons to show that a blank space or zero is not the same as NULL value in SQL. (Recall)
- (ii) List *any two* types of storage devices in DBMS. (Recall)
- (iii) What are the SQL statements used in Database testing to manipulate the test table?
- (iv) What is meant by date-transfer rate? (Recall)

Question 18

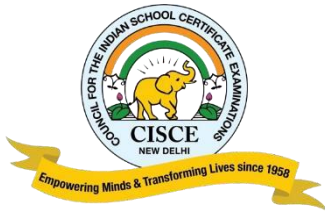
The spread sheet below shows the sales of Jupiter Ltd. made by four salesmen in the four quarters of the financial year 2022-23:

	A	B	C	D	E	F	G
1		Sales in ₹					
2	Salesman No.	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total Sales	Commission @ 10% of sales (₹)
3	S1	6,000	7,000	??	9,000		
4	S2	8,000	9,000	8,200	8,500	33,700	
5	S3	9,600	8,400	9,200	9,500	36,700	??
6	S4	??	7,600	8,000	12,000		
7	Total						

Based on the above transactions and the information given in the spreadsheet, answer any three of the following questions:

- (i) Write the formula to calculate the cost of the goods sold by Salesman No. S2 in Qtr 2, if he had sold the goods at a profit of 10% of the sales. **(Application)** [2]
- (ii) Write the formula to calculate the sales made by Salesman No. S2 in Qtr 3 in cell **D3**, if he had sold the goods at a profit of 10% of the cost. **(Application)** [2]
- (iii) In Qtr 1, Salesman No. S4 sold goods costing ₹ 8,800 at a loss of 10% of the sales. What is the selling price of the goods in cell **B6**. **(Application)** [2]
- (iv) The company gives a commission of 10% on its total sales. Write the formula to calculate the commission earned by Salesman No. S3 in cell **G5**. **(Application)** [2]





ACCOUNTS ANSWER KEY

Candidates must ensure the following while answering the questions:

- All journal entries from Question 2 to Question 10 are in the proper journal format with 'Journal' mentioned at the top.
- All journal entries from Question 2 to Question 10 are accompanied with narrations.
- All formulae, whether for valuation of goodwill (Question 5) or calculation of ratios (Question 14) have been written in full form and not in abbreviations such as SP for Super Profit; NP for Normal Profit; CA for Current Asset; CL for Current Liability; RFO for Revenue from Operations etc.
- The only abbreviation used in the Answer Key is DRR for Debenture Redemption Reserve (Question 4).
- Short form such as Int on C-I-A for Interest on calls-in-arrears, PFG for premium for goodwill, PDD for provision for doubtful debts, SP for Securities Premium would not have used.
- The formulae of the ratios in Question 14 are as per the ones given in the scope of the syllabus.
- In Question 13, the amounts to be subtracted have been put within brackets.
- The Profit and Loss Appropriation A/c (Question 9), Balance Sheet (Question 7) and Cash Flow Statement (Question 13) are accompanied with the year/ date of their preparation.

SECTION A- 60 MARKS

Question 1

- (i) (c) or Debiting it to P/L Appropriation A/c [1]
- (ii) (b) or Debit Pavan's Capital A/c ₹ 8,000; Credit Pavan's Current A/c ₹ 8,000 [1]
- (iii) (c) or P, Q, S [1]
- (iv) (c) ₹ 90,000 [1]
- (v) Ira's Capital A/c Dr 10,000 [1]
To Realisation A/c 10,000
- Realisation A/c Dr 10,000
To Ira's Capital A/c 10,000

- (vi) Net gain of ₹ 7,000 [1]
- (vii) (d) or Both Assertion and Reason are false. [1]
- (viii) Unrecorded Liability [1]
Or
Contingent liability which becomes a definite liability
- (ix) (a) A share warrant is a financial instrument which gives the holder the right to acquire equity shares specified therein at a specified date at a predetermined price. [1]
- (b) Shareholder's Funds.
- (x) Securities Premium A/c Dr 30,000 [1]
Statement of P/L Dr 20,000
To Discount on issue of Debentures A/c 50,000

Question 2

[3]

Journal

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
	Revaluation A/c Dr To Creditors A/c (Being creditors revalued and settled)		46,000	46,000
	Vehicle A/c Dr To Revaluation A/c (Being vehicle revalued)		46,000	46,000
	Rita's Capital A/c Dr To Vehicle A/c To Bank A/c (Being Rita's claim settled)		2,50,000	46,000 2,04,000

OR

Journal

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
	Javed's Capital A/c Dr Gaurav's Capital A/c Dr To Akshat's Capital A/c (Being Akshat compensated for his share of goodwill)		9,000 6,000	15,000
	Bank A/c Dr		1,81,000	

To Javed's Capital A/c	Dr		89,200
To Gaurav's Capital A/c			91,800
(Being Cash brought in by Javed and Gaurav to pay off Akshat's Executor)			
Akshat's Executor's A/c	Dr	1,81,000	
To Bank A/c			1,81,000
(Being Akshat's executor paid off)			

Question 3

[3]

**In the Books of Ruth Ltd.
Journal**

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
	Pablo Ltd. A/c	Dr	1,00,000	
	To Bills Payable A/c			1,00,000
	(Being part payment made by accepting a bill of exchange)			
	Pablo Ltd. A/c	Dr	10,00,000	
	Loss on issue of Debentures A/c	Dr	18,180	
	To 11% Debentures A/c			9,09,000
	To Securities Premium A/c			90,900
	To Premium on Redemption of Debentures A/c			18,180
	To Bank A/c			100
	(Being 9,090, 11% Debentures issued at a premium of 10%)			

Working notes:

$$\text{No. of Debentures} = \frac{10,00,000}{110} = 9090.9090$$

OR

(i) 1. ₹ 30

[2]

2. ₹ 21

(ii)

Interest on Calls-in-Arrears A/c

[1]

Date	Particulars	Amount (₹)	Date	Particulars	Amount (₹)
31.03.24	To Statement of P/L	25	30.06.23	By Debenture holders' A/c	25
		25			25

Question 4

[3]

General Reserve A/c

Date	Particulars	Amount (₹)	Date	Particulars	Amount (₹)
31.03.24	To Balance c/d	70,000	01.04.23	By Balance b/d	50,000
		70,000	31.03.24	By DRR	20,000
					70,000

Debenture holders' A/c

Date	Particulars	Amount (₹)	Date	Particulars	Amount (₹)
31/3/24	To Bank A/c	2,20,000	31/03/24	By 10% Debentures A/c	2,00,000
			01/04/24	By Premium on Redemption of Debentures A/c	20,000
		2,20,000			2,20,000

Question 5

[3]

(i) Sacrificing Ratio = $\frac{1}{5} : 0$

(ii) Normal profit = Capital employed $\times \frac{\text{Normal Rate of Return}}{100}$

Capital employed = ₹ 4,80,000

Normal profit = $4,80,000 \times \frac{12}{100} = ₹ 57,600$

Super profit = Average Profit – Normal Profit

= 74,000 – 57,600 = 16,400

Goodwill = 16,400 $\times 4 = ₹ 65,600$

Question 6

[6]

Notes to Accounts:

Particulars	(₹)
1. Share Capital	
Authorised Capital	
..... Equity shares @ ₹ 10 each
Issued Capital	
..... Equity shares @ ₹ 10 each

	Subscribed Capital Subscribed and fully paid 60,000 Equity shares @ ₹ 10 each Subscribed but not fully paid 40,000 Equity shares @ ₹ 10 each Less Calls-in-arrears	4,00,000 (40,000)	6,00,000 3,60,000 ----- 9,60,000
2.	Reserves & Surplus Securities Premium Less Underwriting commission General Reserve Statement of P/L (Dr)	2,00,000 (20,000) 70,000 (10,000)	 2,40,000
3.	Long-term Borrowing 10% Debentures Premium on Redemption of Debentures Fixed Deposits	5,00,000 20,000 2,00,000	 7,20,000
4.	Long-term Loans and Advances Security deposit for electricity for ten years		30,000
5.	Contingent Liabilities & Capital Commitments Capital Commitments Uncalled amount on partly paid-up shares		8,00,000

Question 7

[6]

Balance Sheet of Anita, Anil and Jia
As at 1st April, 2024

Liabilities	(₹)	Assets	(₹)
Capital Accounts:		Cash at Bank	3,40,000
Anita	1,17,500	Plant & Machinery	60,000
Anil	1,07,500	Jia's Current A/c	50,000
Jia	75,000		
	3,00,000		
General Reserve	1,50,000		
	4,50,000		4,50,000

Working notes:

$$\text{Value of Machinery} = 15,000 \times \frac{100}{20} = 75,000$$

$$\text{Amount of General Reserve} = 50,000 \times 3 = 1,50,000$$

OR

(i) New Ratio = 7 : 7 : 2

[1]

(ii) **Partners' Capital Accounts**

[5]

Particulars	Alpha	Beta	Gama	Particulars	Alpha	Beta	Gama
To Goodwill	10,000	10,000		By Bal b/d	1,00,000	80,000	
To Investment	5,000	5,000		By Cash / Bank			60,000
To	3,000	3,000		By Gama's	5,000		
Revaluation				Current A/c			
To Bal c/d	87,000	62,000	60,000				
	1,05,000	80,000	60,000		1,05,000	80,000	60,000

Working Notes:

Gifted by Beta = $\frac{1}{2}$ of $\frac{1}{4} = \frac{1}{8}$

Purchased from Alfa = $\frac{1}{8}$

New Ratio = Alfa = $1 - \frac{1}{8} = \frac{7}{8}$ Beta = $1 - \frac{1}{8} = \frac{7}{8}$ Gama = $\frac{1}{4}$

New Ratio = 7 : 7 : 2

Sacrificing Ratio = 0 : $\frac{1}{8}$

Gama's share of Goodwill = $\frac{1}{8}$ of 40,000 = ₹ 5,000

Question 8

[6]

Journal

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
	Atul's Capital A/c To Atul's Current A/c (Being Atul's Current A/c closed)	Dr	3,000	3,000
	Atul's Loan A/c To Bank A/c (Being workmen compensation claim met out of the reserve)	Dr	12,000	12,000
	General Reserve A/c To Atul's Capital A/c To Peter's Capital A/c (Being balance of GR transferred to partners' capital accounts)	Dr	22,000	8,250 13,750
	Realisation A/c To Peter's Capital A/c (Being realisation expenses paid by Peter)	Dr	2,000	2,000

Realisation A/c To Atul's Capital A/c (Being Atul's wife's loan discharged by Atul)	Dr	5,000	5,000
Realisation A/c To Atul's Capital A/c To Peter's Capital A/c (Being profit on realisation transferred to partners' capital accounts)	Dr	24,000	9,000 15,000
Atul's Capital A/c Peter's Capital A/c To Bank A/c (Being partner's capital accounts settled)	Dr Dr	59,250 65,750	1,25,000

Question 9

(A)

Profit & Loss Appropriation Account For the year ending 31st March, 2024

(i)

Particulars	(₹)	Particulars	(₹)
To Deb's Capital A/c 6,620 (1,880)	4,740	By Profit & Loss A/c 21,000 Less Interest on Loan Deb 540 Riza 600 (1,140)	19,860
To Riza's Capital A/c 6,620	6,620		
To Ved's Capital A/c 6,620 +1,880	8,500		
	19,860		19,860

[4½]

Working Notes:

Interest on loan:

$$\text{Deb} = 18,000 \times \frac{6}{100} \times \frac{6}{12} = 540$$

$$\text{Riza} = 40,000 \times \frac{6}{100} \times \frac{3}{12} = 600$$

Riza's Loan Account

(ii)

Date	Particulars	Amount (₹)	Date	Particulars	Amount (₹)
1.12.2023	To Bank	40,600	1.9.2023	By Bank A/c	40,000
			1.12.2023	By Interest on Loan	600
		40,600			40,600

[1½]

(iii)

Ved's Capital Account

[2]

Date	Particulars	Amount (₹)	Date	Particulars	Amount (₹)
31.3.2024	To Balance c/d	24,500	1.7.2023	By Bank A/c	12,000
			1.1.2024	By Bank A/c	4,000
			31.3.2024	By P/L App	6,620
			31.3.2024	By Deb's Capital	1,880
		24,500			24,500

(B)

Interest on Capital:

[2]

Krish= ₹ 1440

Tarun= ₹ 2,160

OR

(i) 1.

Journal

[2]

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
30.9.2023	Ridhi's Capital A/c Dr To Cash / Bank A/c (Being drawings made by Ridhi)		7,500	7,500
31.3.2024	Ridhi's Capital A/c Dr To Cash / Bank A/c (Being drawings made by Ridhi)		7,500	7,500
31.3.2024	Ridhi's Capital A/c Dr To Ridhi's Drawings A/c (Being drawings account closed by transferring to capital account)		15,000	15,000

2.

Journal

[2]

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
31.3.2024	Ridhi's Capital A/c Dr To Interest on Drawings A/c (Being interest on drawings charged)		300	300
31.3.2024	Interest on Drawings A/c Dr To P & L Appropriation A/c (Being interest on drawings account closed)		300	300

3. **Journal** [2]

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
31.3.2024	Interest on Capital A/c Dr To Deepa's Capital A/c To Ridhi's Capital A/c (Being interest on capital allowed)		9,000	5,000 4,000
31.3.2024	P & L Appropriation A/c Dr To Interest on Capital A/c (Being interest on capital account closed)		9,000	9,000

4. **Journal** [2]

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
31.3.2024	Adit's Capital A/c Dr To Loan to Adit A/c (Being Adit's loan A/c closed)		5,000	5,000

(ii) **Adjusting Journal Entry** [2]

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
31.3.2024	Adit's Capital A/c Dr To Ridhi's Capital A/c (Being error of profits distributed in incorrect ratio rectified)		7,060	7,060

Working Notes:

Table Showing Adjustments

Partners	Amount which has been credited in the ratio 2:1:2 44,000 + 300 - 9,000 = 35,300 (₹)	Amount which should have been credited in the ratio 2:2:1 44,000 + 300 - 9,000 = 35,300 (₹)	Difference (Dr or Cr) (₹)
Deepa	14,120	14,120	----
Ridhi	7,060	14,120	7,060 (Cr)
Adit	14,120	7,060	7,060 (Dr)

**In the Books of Hero Ltd.
Journal**

Particulars	LF	Debit (₹)	Credit (₹)
Bank A/c To Share Application A/c (Being share application received)	Dr	75,500	75,500
Share Application A/c To Share Capital A/c To Share Allotment A/c To Calls-in-Advance A/c To Bank A/c (Being share application transferred to share capital and subsequent instalments)	Dr	75,500	50,000 8,000 5,000 12,500
Share Allotment A/c To Share Capital A/c (Being share allotment due)	Dr	1,00,000	1,00,000
Bank A/c To Share Allotment A/c (Being share allotment received)	Dr	92,000	92,000
Share 1 st & Final Call A/c To Share Capital A/c (Being share capital due)	Dr	1,00,000	1,00,000
Bank A/c Calls-in-Advance A/c Calls-in-Arrear A/c To Share 1 st & Final Call A/c (Being share final call received)	Dr Dr Dr	80,000 5,000 15,000	1,00,000
Share Capital A/ To Share Forfeiture A/c To Calls-in-Arrear A/c (Being 1,500 shares forfeited)	Dr	37,500	22,500 15,000
Bank A/c Shares Forfeiture A/c To Share Capital A/c (Being 500 shares reissued)	Dr Dr	10,000 2,500	12,500
Share Forfeiture A/c	Dr	5,000	

To Capital Reserve A/c (Being net gain on reissued shares transferred to Capital Reserve)			5,000
--	--	--	-------

OR

- (i) 1,20,000 shares [1]
(ii) ₹ 4 [1]
(iii) ₹ 1 [1]
(iv) ₹ 2,34,000 [2]
(v) (a) **Journal** [2]

Particulars	L.F	Debit (₹)	Credit (₹)
Share Capital A/c Dr		20,000	
To Share Forfeiture A/c			12,000
To Calls-in-Arrear A/c			8,000
(Being 2,000 shares forfeited)			

- (b) **Journal** [3]

Particulars	L.F	Debit (₹)	Credit (₹)
Bank A/c Dr		19,500	
To Share Capital A/c			15,000
To Securities Premium			4,500
(Being 1,500 shares reissued)			
Share Forfeiture A/c Dr		9,000	
To Capital Reserve A/c			9,000
(Being net gain on reissued shares transferred to Capital Reserve)			

SECTION B - 20 Marks

Question 11

- (i) • (c) or $\frac{\text{Net Profit before interest and taxes}}{\text{Fixed Interest Charges}}$ [1]
• Interest Coverage Ratio
- (ii) (d) or Q, R and S [1]
- (iii) The ratio will reduce/ decline [1]
- (iv) [1]
- (a) $\frac{\text{Absolute change in net profit}}{\text{Base year (previous year) profit}} \times 100$
- (b) Decrease of 21.77 %
- (v) Outflow of cash to the extent of investment made. [1]
Inflow of cash – interest income from the investments

Question 12

[3]

**Common Size Balance Sheet of Super Ltd.
As at 31.3.2024**

Particulars	Note No.	31.03.2024 (₹)	% to Balance Sheet Total
I. Equity & Liabilities			
1. Shareholders' Funds		7,00,000	70
2. Non-Current Liabilities		2,00,000	20
3. Current Liabilities		1,00,000	10
Total		10,00,000	100
II. Assets			
1. Non-Current Assets		7,00,000	70
2. Current Assets		3,00,000	30
Total		10,00,000	100

Question 13

Working Note: 1

Provision for Depreciation A/c

Particulars	Amount (₹)	Particulars	Amount (₹)
To Plant & Machinery A/c	30,000	By Balance b/d	1,10,000
To Balance c/d	1,50,000	By Depreciation A/c	70,000
	1,80,000		1,80,000

Working Note: 2

Plant & Machinery A/c

Particulars	Amount (₹)	Particulars	Amount (₹)
To Balance b/d	6,00,000	By Provision for Depreciation A/c	30,000
To Bank A/c	2,20,000	By Bank A/c	25,000
		By Loss on sale A/c	15,000
		By Balance c/d	7,50,000
	8,20,000		8,20,000

(i) 1. **₹ 87,000**

[2]

Workings:

Net Profit for the year	(₹)
	(80,000)
Provision for Tax	84,000
Net Profit before Tax	4,000
Add Depreciation on P & M	70,000
Add Loss on sale of machine	15,000
Less Interest on Short-Term Loans and Advances	(2,000)
Net Operating Profit before WC changes	87,000

2. ₹ (2,31,000)

[2]

Workings:

	(₹)
Purchase of P & M	(2,20,000)
Sale of P & M	25,000
Short-Term Loans and Advances	(38,000)
Interest on Short-Term Loans and Advances	2,000
Cash used in Investing Activities	(2,31,000)

(ii) Less

[2]

Reason- Although the operating profit increased by ₹ 1,00,000 because of the credit sales, the increase in cash was only ₹ 95,000 (1,00,000 + 15,000 – 20,000).

OR

Working Note :1

Provision for Tax A/c

[6]

Particulars	Amount (₹)	Particulars	Amount (₹)
To Bank A/c	20,000	By Balance b/d	28,000
To Balance c/d	15,000	By Statement of P/L	7,000
	35,000		35,000

Working Note :2

	(₹)
St of P/L	1,40,000
Provision for Tax	7,000
Net Profit before Tax	1,47,000

Cash Flow Statement of Ronald Ltd.

For the year ending 31st March, 2024 / For the year 2023-24

Particulars	(₹)	(₹)
I. Cash from Operating Activities		
NP before Tax (WN 3)	1,47,000	
Add non op / non cash exp		
Depreciation on Plant & Machinery	90,000	
Interest on Borrowings	25,000	
Less Interest on Investment received	(3,500)	
Net Op Profit before WC changes/ Cash from Operating Activities before Tax paid	2,58,500	
Less Tax paid	<u>(20,000)</u>	
Cash Flow from Operating Activities		2,38,500
II. Cash from Investing Activities		
Purchase of Investments	(90,000)	
Interest on Investments received	3,500	
Cash used in Investing Activities		(86,500)
III. Cash from Financing Activities		
Repayment of long-term borrowings	(50,000)	

Interest on borrowings paid	(25,000)	
Bank overdraft taken	1,53,000	
Cash Flow from Financing Activities		78,000
Net increase in Cash as per I, II and III		2,30,000
Add Op Cash and Cash Equivalents		
Bank		50,000
Closing Cash and Cash Equivalents		
Bank	2,80,000	
	2,80,000	2,80,000

Question 14

(Any three) [6]

(i) **Interest Coverage Ratio** = $\frac{\text{Net profit before interest and taxes}}{\text{Fixed Interest Charges}}$

$$= \frac{2,05,000}{45,000}$$

$$= 4.56 \text{ times}$$

(ii) **Operating Ratio** = $\frac{\text{Cost of Revenue from Operations} + \text{Operating Expenses}}{\text{Revenue from Operations}} \times 100$

Or

$$\frac{\text{Cost of Revenue from Operations} + \text{Operating Expenses} - \text{Operating Income}}{\text{Revenue from Operations}} \times 100$$

$$= \frac{8,10,000}{9,00,000} \times 100$$

$$= 90\%$$

(iii) **Current Ratio** = $\frac{\text{Current Assets}}{\text{Current Liabilities}}$

$$= \frac{2,60,000}{1,10,000}$$

$$= 2.36:1$$

(iv) **Quick Ratio** = $\frac{\text{Quick Assets}}{\text{Current Liabilities}}$

OR

$$= \frac{\text{All Current Assets} - \text{Inventories (excluding Loose Tools & Spare Parts)} - \text{Prepaid Expenses}}{\text{Current Liabilities}}$$

$$1.5 : 1 = \frac{6,80,000 - \text{Inventory}}{3,4,000}$$

$$\text{Inventory} = ₹ 1,70,000$$

$$\text{Inventory Turnover Ratio} = \frac{\text{Cost of revenue from Operations}}{\text{Average Inventory}}$$

$$4 = \frac{\text{Cost of revenue from operations}}{1,70,000}$$

$$\text{Cost of revenue from operations} = ₹ 6,80,000$$

SECTION C - 20 Marks

Question 15

- (i) (b) or Double clicked [1]
- (ii) (c) or the data records of the file are organized in the same order as the data entries of the index. [1]
- (iii) \$ [1]
- (iv) Shift + Spacebar [1]
- (v) Back-end: It is an application where data is stored. For example: MS Access, Oracle, Excel [1]

Question 16

[3]

(i)

	Formula	Function
1.	The formula is like an equation in Excel which the user types. It can be any type of calculation depending on the user's choice.	A function in Excel is a predefined calculation which is in-built in Excel.
2.	Manually typing out a formula every time a calculation needs to be performed is time consuming, Eg.= A1+A2+A3	Performing calculations are more comfortable and faster while working with functions. Eg.=SUM(A1:A3)

- (ii) The database testing process ensures that the correct and unique data (without bugs) is delivered to the correct location. These bugs may cause serious issues like deadlock, data corruption, poor performance, inconsistency, etc.

Question 17

(Any three) [6]

- (i) = C4*90%
Or
= C4*0.9
Or
= (C4 - C4*10%)
Or
= (C4-C4*0.1)
- (ii) = 9,000 + 9,000*10%
Or
= 9,000 + 9,000*0.1
Or
= 9,000 * 1.1

Or

$$= 9,000 * \frac{110}{100}$$

(iii) $8,000 * \frac{110}{100} = ₹ 8,800$

(iv) $= (B5 + C5 + D5 + E5) * 10\%$

Or

$$= F5 * 10\%$$

Question 18

(Any three)

(i)

[2]

	NULL value	Zero and blank space
1.	A NULL value is a value, which is <i>unavailable, unassigned, unknown or not applicable</i> . It is used in the absence of any value. Arithmetic operations can be performed on it.	Zero is a number, and a blank space is treated as a character.
2.	The NULL value can be treated as an unknown and missing value.	A zero is a number and blank spaces are treated as characters.
3.	One NULL may not be the same as another NULL. NULL indicates that no data has been provided or that no data exists.	A blank space or a zero can be compared to another blank space or a zero.

(ii)

1. Primary storage
2. Secondary storage
3. Tertiary storage

[2]

(iii)

The statements like SELECT, INSERT, UPDATE, DELETE are used to manipulate the table.

[2]

(iv)

The data-transfer rate is the rate at which data can be retrieved from or stored to the disk.

[2]