

P1 - Commercial Practices

P. Pages : 2

Time : Three Hours

**GUG/S/18/3055**

Max. Marks : 80

- Notes : 1. All questions are compulsory.
2. All questions are carry equal marks.

1. a) Explain the various basic concepts and conventions of Accounting. **8**

b) Distinguish between capital Receipt and Revenue Receipt. **8**

OR

c) Journalise the following transaction in the books of Mr. Rudra. **8**

2011

June

1. Started Business with cash Rs. 2,00,000 goods worth Rs 10,000 and computer Rs. 20,000
8. Bought goods on credit from Rashi Rs. 8,000 at 6% Trade Discount.
12. Sold goods to Raksha of Rs. 8,000 at 5% Trade Discount.
14. Goods worth Rs. 1050 burnt by fire.
18. Received cash of Rs. 7,500 from Raksha in full settlement of her account.
21. Drawn from Bank Rs. 5,000 for his personal purpose
24. Paid cash of Rs. 7,400 to Rashi in full settlement of her account.
29. Sold goods worth Rs. 10,000 to Rahul who paid US Rs. 6,000 on account.

d) Prepare Trail Balance from the following ledger of Shri. Rahul as on 31st March 2015. **8**

Particular	Rs.
Capital	50,000
Debtors	2,500
Wages	3,500
Depreciation	1,500
Furniture	12,500
Advertisement	2,500
Bad Debts	600
Carriage	2,500
Purchases	15,000
Salary	4,500
Sales	40,000
Postage	250
Creditors	4,000
Land and Building	45,000
Bank Loan	2,000
Cash in Hand	1,250
Rent	2,900
Drawing	1,500

2. a) What do you mean by cost Accounting. Explain it's Limitation. **8**

b) Explain the term Flexible Budget and Cash Budget. **8**

OR

- c) From the following calculate 8
- 1) Current Ratio
 - 2) Liquid Ratio
 - 3) Stock to working capital Ratio.

Balance sheet as on 31-12-2015

Liabilities	Rs.	Assets	Rs.
Share Capital	5,00,000	Fixed Assets	4,00,000
Sundry Creditors	1,00,000	Sundry Debtors	1,00,000
Expenses Due	50,000	Bills Receivable	1,40,000
Profit and Loss Account	1,50,000	Stock	60,000
		Cash	20,000
		Bank	80,000
	8,00,000		8,00,000

- d) Find out the value of plant to be debited to contract No. 125. The contract is incomplete. 8
 Cost of plants supplied Rs. 1,00,000
 No. Of Days the plant worked on contract 219 Days plant damaged during working on the contract and Rs. 1,500 spent to repairs it to be charged to contract. Working life of plant 5 years. Residual value Rs. 5,000.

3. a) Explain the essential of valid contract. 8

- b) Explain different types of partners. 8

OR

- c) Define company Meeting. Explain their types. 8

- d) Define Prospectus. What are it's contents. 8

4. a) Define Leadership. Explain it's types. 8

- b) Explain importance of management. 8

OR

- c) Explain barrier in communication. 8

- d) Explain Importance of controlling. 8

5. Write Answers in shorts.

- a) Explain the concept of Income tax. 4

- b) Explain the limitation of Break even point. 4

- c) Explain the formation of company. 4

- d) Explain functional areas of Management. 4
