TIME: 2 Hrs.

Page Nort 2

MN10 AGG

MARKS: 60

Note: 1) All questions are compulsory.

- 2) All questions carry equal marks i.e. 15 marks each.
- 3) Working note should form the part of the answer.
- Q.1. Following is information of Shidori Ltd. for the year ended 31 3-2009. (15)

Particulars	Amt.	Particulars	Amt.
Creditors	208000	Cash	10,000
Advance income	20,000	Inventory	170,000
Provision for Tax	50,000	Machinery	420,000
Provision for	50	Advances to customs	14000
Depreciation	1 Inoid asom	Furniture	210,000
on Land	60,000	goodwill	154000
On furniture	80,000	Investment	80,000
On Machinery	70,000	Marketable securitie	18000
General Reserve	240,000	Bank Balance	56000
10% Debentures	154000	Preliminary Expenses	THE LIGHT DESCRIPTION I
12% Prof. shares	100,000	Land	40,000 508000
Public Deposit	100,000	Debtors 220,000	308000
Bank Overdraft	104000	(-) Bad debt 6000	214 000
Equity Capital	500,000	Bills Receivables	214,000
Bills Payable	40,000	Patents	120,000
Profit and	200,000	Discounton issue	120,000
Loss A/c	rat of the TO A	of Debentures	10000
Capital Redemption	1. 18 How !	OO raph	12000
Reserve	100,000	roduces and sells a single	Company p

You are required to prepare the common size Balance Sheet in vertical form and determine the followings.

1) Networth

2) Loan fund

3) Fixed Assets.

4) Total Assets.

5) Current Assets

6) Quick Liabilities.

6. Margin of Safety at sales of

7. Selling price per unit if the preak

Q. 1. From the following income statement of M/s Balaji Ltd. prepare the common size Revenue statement with amount and percentage form suitable for analysis. (15)

Particulars	Rs.	Particulars	rneo anoita Rs. II
To opening Stock	marks each	By Sale finished	Achie accept of
of finished goods	200,000	goods	10,00,000
To materials		By closing stock	45000
consumed	600,000	by goods distribut	
To wages	125000	as free samples	5000
To factory	SPECIOIN	BA TIMA	reditors
Overheads	125000	RU UUUUUL	duancaironnach
To gross profit	NIL	20,000 Im	
	10,50,00	50,000 Me	10,50,000
To staff Salaries	17500	By gross profit	NIL
To Telephone	OTENHITY OTENHITY	by commission	260,000
charges	10,000	of gentre	n furniture
To, Directors fees	10,000	vnI 000,08	n Machinery .
To Depreciation	rketable secu	70,000 Ma	
on office furniture	32,500	240,000 Ba	eneral Reserve
To Advt. Expenses	12000	STY UUU#G1	THE LICIDEDICHICS
To free samples	5000	100,000 Lai	196 Prof. shares
To publicity Exp.	80000	100,000 De	ublic Deposit
To Interest on		104000 (-)	ank Overdraft
Debentures	5000	500,000 Bill	quity Capital
To net profit	88000	40,000 Pat	ills Payable
9.	260,000	200,000 Die	260,000
12000	commede (l- lo	

Q. 2. A Company produces and sells a single articles at Rs. 10 each. The marginal cost of production is Rs. 6. each and fixed cost is Rs. 400 per annum.

Calculate

- 1. P/V Ratio
- 2. Break even point.
- 3. Sales to earn a profit of rs. 500.
- 4. New break even point it sales price reduced by 10%
- 5. Profit of Sales of Rs. 3000
- 6. Margin of Safety at sales of Rs. 1500
- 7. Selling price per unit if the break even point is reduced to 80 units.

OR

Q. 2. Rearrange the Balancesheet in vertical formand calculate the trend percentage taking 2006 figures as 100.

Balancesheet as on 31st December. (Rs. in Lacs)

TOLOGO MARKANIN TO TO	153	177	181	200
Preliminary Exp	03	02	01	Philancers
Cash	05	01	02	15
Debtors	20	14	15	10
Stock	05	15	25	05
Machinery	20	40	43	50
goodwill	50	45	40 1900	40 ba
Building	50	60	55	80
Assets	2006	2007	2008	2009
as a Capital	153	177	181	200
V-prai	150	00,00,68	181	200
Other Liabilities	01	02	02	03
Bank Overdraft	01	02	08	04
Creditors	06	08	10	03
Unsecured Loan	04	02	6 200	10
Secured Loan	08	06	4	25 10 isto
Debentures	10	20	20	30
Surplus	13	32	. 31 siess/	40,0
Reserve	50	45	20 2001	The second of the second of the second
Share capital	. 60	60	80 Jones	VIC 80 2000
Liabilities	2006	2007	2008	2009

Q.3.	Bharat Ltd.	furnishes	you	with	its	final	accounts	for	the	year	ended
	31-3-2010	er partiol							itie.		(15)

Balance Sheet

Source of fund	
Equity share capital of Rs. 10 each	2500,000 Amer Tax
12% pref. share capital of Rs. 100 each	500,000
Share premium	nobeliquiqqA as 500,000
general Reserve	000,0001 posed Dividend
Profit and Loss A/c	500,000
Loan from Directors (a) 18% p.a	000,000,000 20,00,000
15% Non-Convertable Debentures	10,00,000
(secured by a charge on assets)	

Funds employed	rmation is aveilled squwolk	75,00,000
		1. Current Ratio

Application of funds

(1) 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
Fixed Assets Rs. 2004 on sales out of grand grand fail	17,00,000
Stock a slow down in comomy dita latigas guidrow of	30,00,000
Debtors to 50% of its capacity during the 2011 olds gnits	40,00,000
Cash/Bank and will be reduced by 10% per ungits Resent	100,000
Advance to Suppliers and by 10% per unit oits 7 revorant of	10,00,000
Deposits with customs oits 9 revorant and	2.00.000

Creditors		20,00,000
Provision for Tazation	200,000	faiblines 1 2006
Proposed Dividend		300,000
Current Liabilities		25,00,000
Net Current Assets	with a Signat and	58,00,000
	20	Orbentures 10
Total Assets		75,00,000
Revenue statement for th	e year ended 31-3-2	2010 nsol perusegui 1
Sales		200,00,000
Less opening stock	35,00,000	
Purchase	105,00,000	
The fact of the contract of th	140,00,000	
Less closing stock	30,00,000	
5580	1,10,00,000	
Add Factory overhead	50,00,000	1,60,00,000
43 - 43	402	
gross profit		40,00,000
Less Adm. exp.	3,85,000	Debtors 20
Selling Exp	22,15,000	Cash O5
Finance exp	90,000 -	2690,000
Profit before Interest		1310,000
Less: Interest on deben	tures	150,000
Interest OD Directors La	you with due nac	360,000 Bharat Luc Lumishes
Profit before Tax.		8,00,000
Tax Provision		400,000
Profit After Tax		400,000
Less Appropriation	ells a sincle accid	es at Da J.O. Nooh. Elbane avois
Proposed Dividend	each earl Comme	2,40,000
(equity)		general results
Prof. Dividend		60,000
Retained Profit	Debentures assets) 000	15% 000,000 vertable I
Calculate the following	ratios	y 10%

- 1. Current Ratio
- 2. Liquid Ratio
- 3. Proprietory Ratio
- 4. Capital gearing Ratio
- 5. Stock to working capital Ratio
- 6. Operating Ratio
- 7. Expenses Ratio
 - 8. Stock Turnover Ratio
 - O Dobtoro Turnover Ratio

Q. 3. Following summerised Balancesheet of BMW Ltd. as on 31-12-2009 and 2010 (15)

Balances heet

Liabilities	2009	2010	Assets	2009	2010
Equity	2,00,000	250,000	Bank	35000	16,000
Share capital	itis. The second	le for I me	Stock	40,000	75000
12% Debentures	100,000	80000	Debtors	90,000	150,000
		sihesa din	Machinery	75000	60,000
10% pref	50,000	80,000	Furniture	10,000	8000
share capital		Land Park	Land	170,000	280,000
Bank Loan	70,000	110,000	Building	140,000	99000
Reserve	20,000	25000	goodwill	30,000	25,000
Profit &	000	Ns. 36,00	philips and	Dank Bala	
Loss	50,000	60,000	agreed to ou	stoma	
Creditors	60,000	75,000	epare, the s	uired to pa	
Bills payable	40,000	33000		40.75	140
on Land Tiple	590,000	713000		590,000	713000

Additional information

- Depreciation charged during 2009 was Rs. 4000/- on furniture, Rs. 12000 on Machinery and Rs. 20,000 on Building.
- 2. Part of Machinery was sold for Rs. 15000 at loss of Rs. 4000
- 3. During 2009 interim dividend of Rs. 10,000 was paid.
- 4. Income Tax of Rs. 5000 paid in the year 2009.
- 5. During the year part of the building was sold at book-value. You are required to prepare cash flow statement as per as 3 (indirect method)
- Q.4. Explain the following concepts.

(15)

- 1. Marginal costing
- 2. Fund flow statement
- 3. Working capital
- 4. Contingent Liabilities
- 5. Ratio.

OR

Q. 4. A) Ltd. manufactured and sold 30,000 machines in the year 2010 at 100% capacity. Following information is available for the same month.

Material

Rs. 7,50,000

Labour

Rs. 3,00,00,000

Sales

Rs. 15,00,00,000

gross profit

Rs. 20% on sales.

Due to the slow down in economy the company has decided to reduce its production to 50% of its capacity during the 2011. It is estimated that

- 1. Price of raw material will be reduced by 10% per unit.
- 2. Overheads will be increased by 10% per unit.

Due to the slow down in economy the company has decided to reduce its production to 50% of its capacity during the 2011. It is estimated that

- 1. Price of raw material will be reduced by 10% per unit.
- 2. Overheads will be increased by 10% per unit.
- 3. Wages will be reduced by 20% P.U.
- 4. Selling price, per unit to be estimated to maintain profit onsale at 20%
- 5. Raw material will remain in stock for 1 month.
- 6. Finished good remain in stock for 2 month.
- 7. Debtors will to enjoy the one month credit. (valued at selling price)
- 8. Suppliers will allow 2 month credit.
- 9. Time lag in payment of wages and overheads will be month.
- 10. Processing period will one month.
- 11. Cash and bank Balance should e Rs. 30,00,000

You are required to prepare the estimation of working capital for the year 2011.



 Depreciationcharged during 2009 was Rs. 4000/- on furniture, Rs. 12000 on Machinery and Rs. 20,000 on Building.

2. Part of Machinery was sold for Rs. 15000 at loss of Rs: #000oled tillorg

nterest orbing and 000,

g was sold at book-value.

Tax Provision

3474

Less Appropriation

(equity)

SALOT FULL TOTAL

) Ltd. manufactured and sold 30,000 machines in the year 2010 capacity. Following information is available for the Same months:

urrent Ratio 000

roprietory Ratio 000,00,00,

Rs. 15,00,00,0 (Rs. 20% on sa

ross profit

explain the following concepts.

Fund flow statement
Working capital
Contingent Liebilities