

1. What is subscribed capital ? (1 mark)
2. State an exception to the creation of Debenture Redemption Reserve as per SEBI guidelines. (1 mark)
3. What is the objective of Comparative Financial Statements? (1 mark)
4. State the interest of Tax Authorities in the analysis of financial statements. (1 mark)
5. Mention any two advantages of Ratio Analysis. (1 mark)
6. Earning capacity of a company is ascertained by correlating which two items of financial statements ? (1 mark)
7. Rajan Ltd. purchased a running business from Vikas Ltd. for a sum of Rs. 2,50,000/- payable as Rs. 2,20,000/- in fully paid Equity Shares of Rs. 10/- each and balance by a Bank Draft. The assets and liabilities consisted of the following:
Plant and Machinery Rs. 90,000/-; Building Rs. 90,000/-; Sundry Debtors Rs. 30,000/-; Stock Rs. 50,000/-; Cash Rs. 20,000/-; Sundry Creditors Rs. 20,000/-.
Pass necessary journal entries. (3 marks)
8. Pass necessary journal entries for 'Issue of debentures' for the following:-
Sohan Ltd. issued 800; 9% Debentures of Rs.100/- each at a premium of Rs. 20/- per debenture redeemable at a premium of Rs. 10/- per Debentures. (3 marks)
9. Under which sub-headings will the following items be placed in the Balance Sheet of a Company as per revised Schedule-III, Part I of the Companies Act, 2013:
i) Capital Reserves ii) Bonds
iii) Loans repayable on demand (3 marks)
10. Under what headings the following items will be presented in the Balance Sheet of a Company :
i) Shares forfeited Account ii) Goods-in- transit
iii) Bank overdraft (3 marks)
11. X Ltd. had Rs. 8,00,000/-, 9% Debentures due to be redeemed out of profits on 1st October, 2014 at a premium of 5%. The company had a Debenture Redemption Reserve of Rs. 4,14,000/-. Pass necessary journal entries at the time of redemption. (4 marks)
12. Give Journal Entries to record the following transaction of forfeiture and re-issue:-
C Ltd. forfeited 1,000 shares of Rs. 100/- each. On these shares the shares the first call of Rs. 30/- per share was not received and the final call of Rs. 20/- per share was yet to be called. These shares were reissued at Rs. 70/- per share Rs. 80/- paid-up. (4 marks)
13. a) Find the value of Current Liabilities and Current Assets if Current Ratio is 2.5 : 1, Liquid Ratio is 1.2 : 1 and the value of Inventory of the firm is Rs. 78,000/-.
b) From the following information, calculate:
Debt Equity Ratio
Working Capital Turnover Ratio
Equity Share Capital Rs. 10,00,000/-; General Reserve Rs. 1,00,000/-;
Profit & Loss Account after Tax and Interest Rs. 3,00,000/-;
12% Debentures Rs. 4,00,000/-; Creditors Rs. 3,00,000/-; Land & Building Rs. 13,00,000/-; Debtors Rs. 2,90,000/-; Cash Rs. 1,10,000/- and Preliminary Expenses Rs. 1,00,000/-. (3+3= 6 marks)
14. X Ltd. invited applications for issuing 80,000 Equity shares of Rs. 10/- each at a premium of Rs. 2/- per share. The amount was payable as follows:
On Application Rs. 6/- (including premium)
On Allotment Rs. 3/- per share and the balance on first and final call. Applications for 90,000 shares were received. Applications for 5,000 shares were rejected and pro-rata allotment was made to the remaining applicants. Over payments received on application was adjusted towards sums due on allotment. All calls were made and were duly received except the allotment and final call on 1,600 shares allotted to Vijay. These shares were forfeited and the forfeited shares were re-issued for Rs. 18,400/- fully paid up.
Pass necessary journal entries in the books of the company. (8 marks)

