PART - I (50 Marks)

Section A
Answer any TWO of the following questions in not exceeding 40 lines each.  \( 2 \times 10 = 20 \)

1. Define a partnership firm and explain the features of it.
2. Explain about memorandum of Association and the clauses of it.
3. Define ‘Debenture’ and write about various types of debentures.

Section B
Answer any FOUR of the following questions in not exceeding 20 lines each.  \( 4 \times 5 = 20 \)

4. Discuss about various types of Industries.
5. Explain any five principles of a cooperative society.
6. Draw any five differences between a Public Company and a Private Limited Company.
7. Define Business finance and explain the significance of it.
8. Write a brief note on multinational corporations.

Section C
Answer any FIVE of the following questions in not exceeding 5 lines each.  \( 15 \times 2 = 30 \)

10. Business
11. Insurance
12. ‘Day at hyga Principle’
13. Minor partner
14. What is a Government Company?
15. Prospectus
16. Explain retained earnings
17. Medium enterprise.
PART - II (50 Marks)

Section D

Answer the following question in not exceeding 40 lines each. 1x20 = 20

18 From the following Trail Balance of Maanas Prepare trading & Profit and loss a/c for the year ended 31st December 2012 and Blanace sheet as on that date.

Trial Balanace as on 31-12-2012

<table>
<thead>
<tr>
<th>Debit Balances</th>
<th>Rs.</th>
<th>Credit Balances</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchases</td>
<td>90,000</td>
<td>Sales</td>
<td>1,45,000</td>
</tr>
<tr>
<td>Returns</td>
<td>2,000</td>
<td>Returns</td>
<td>2,000</td>
</tr>
<tr>
<td>Cash in Hand</td>
<td>5,000</td>
<td>Commission</td>
<td>3,000</td>
</tr>
<tr>
<td>Cash at Bank</td>
<td>8,000</td>
<td>Capital</td>
<td>56,000</td>
</tr>
<tr>
<td>Debtors</td>
<td>20,500</td>
<td>Creditors</td>
<td>40,000</td>
</tr>
<tr>
<td>Furniture</td>
<td>13,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Machinery</td>
<td>25,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening stock</td>
<td>15,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent</td>
<td>4,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wages</td>
<td>11,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>1,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carriage outwards</td>
<td>2,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Travelling expenses</td>
<td>1,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bills receivable</td>
<td>34,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>8,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drawings</td>
<td>6,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

----------    ----------
2,46,000      2,46,000

Adjustments: 1. Closing stock stock Rs.32,000
2. Write off Bad debts Rs.500
3. Provide 5/- provision for Doubtful debts
4. Outstanding wages Rs.1,000
5. Provide Depreciation on furniture 10% and on Machinery 10%
Section E

Answer any ONE of the following questions 1 x 10 = 10

19. Prepare three column cash book of Renish from the following particulars.

2012 March

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1(^{st})</td>
<td>Cash in Hand</td>
<td>Rs.25000</td>
</tr>
<tr>
<td></td>
<td>Cash at Bank</td>
<td>Rs.10000</td>
</tr>
<tr>
<td>3(^{rd})</td>
<td>Purchases</td>
<td>Rs.1000</td>
</tr>
<tr>
<td>5(^{th})</td>
<td>Sold goods for cash</td>
<td>Rs.10000</td>
</tr>
<tr>
<td>6(^{th})</td>
<td>Paid cash to Sailu and discount received</td>
<td>Rs.675</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rs.25</td>
</tr>
<tr>
<td>10(^{th})</td>
<td>Deposited cash in to Bank</td>
<td>Rs.2000</td>
</tr>
<tr>
<td>14(^{th})</td>
<td>Received cash from Suchi and discount allowed</td>
<td>Rs.850</td>
</tr>
<tr>
<td>18(^{th})</td>
<td>Received cheque from Kiran and deposited the cheque in the Bank on the same day</td>
<td>Rs.1500</td>
</tr>
<tr>
<td>26(^{th})</td>
<td>Paid rent by cheque</td>
<td>Rs.1000</td>
</tr>
<tr>
<td>31(^{st})</td>
<td>Received Commission</td>
<td>Rs.500</td>
</tr>
</tbody>
</table>

20. On 31-12-2012 Mr. Sarath Kumar's bank balance as per pass book Rs.6000. There is disagreement between cash book and pass book balance. Prepare Bank reconciliation statement by considering following transactions:

a) Cheque deposited for collection, but not yet realised Rs.1200
b) Cheque issued but not yet presented for Payment Rs.2000
c) Bank charges debited in pass book only Rs.90
d) Bank paid insurance as per standing orders Rs.400
e) Directly deposited by a customer in to bank Rs.3000
f) Interest credited in pass book only Rs.120
Section F

Answer any TWO of the following questions 2 x 5 = 10

21. Explain any five advantages of Book keeping
22. Prepare X & Co., from the following transactions

2012 June

1st Amount due to X & Co Rs.4000
2nd Goods purchased from X & Co Rs.10000
5th Cash paid to X & Co. Rs.4,000
9th Goods returned to X & Co. Rs.500
14th Paid to X & Co. by cheque Rs.5000
21st Cash purchases from X & Co Rs.2000

23. Enter the following transactions in the proper Subsidiary Books

2012 Nov

1st Purchases from Sarasu Rs.3000
2nd Purchased goods from Kittu Rs.4000
3rd Sold goods to Pavani Rs.5000
4th Sold goods to Ramanji Rs.1500
5th Purchased from Srinivas Rs.2000
6th Sold goods for cash to Rohithia Rs.1500

24. Explain about various types of Errors

Section G

Answer any FIVE of the following questions 5 x 2 = 10

25. Debtors
26. Suspense a/c
27. Outstanding expenses
28. Mention the rule of Debit and Credit of Real a/c
29. Contra entry
30. Journalise the following transactions

**Nov**
- 1<sup>st</sup> Started business with Cash.......................... Rs.1000
- 4<sup>th</sup> Paid wages........................................ Rs.10000
- 6<sup>th</sup> Goods purchased from Sushmitha.............. Rs.3000
- 8<sup>th</sup> Sold goods for cash.............................. Rs.3000

31. Write opening entries from the following

- Cash in hand.................................................. Rs.1000
- Cash at Bank.................................................. Rs.3000
- Debtors......................................................... Rs.10000
- Creditors....................................................... Rs.5000
- Buildings....................................................... Rs.20000
- Bills payable.................................................. Rs.5000
- Furniture....................................................... Rs.6000

32. Prepare Trial Balance from the following particulars as on 31-12-2012

<table>
<thead>
<tr>
<th>Description</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bills Payable</td>
<td>3000</td>
</tr>
<tr>
<td>Purchases</td>
<td>5000</td>
</tr>
<tr>
<td>Sales</td>
<td>10000</td>
</tr>
<tr>
<td>Sales returns</td>
<td>2000</td>
</tr>
<tr>
<td>Purchase returns</td>
<td>1000</td>
</tr>
<tr>
<td>Furniture</td>
<td>15000</td>
</tr>
<tr>
<td>Bills receivable</td>
<td>4000</td>
</tr>
<tr>
<td>Capital</td>
<td>12000</td>
</tr>
</tbody>
</table>
UNIT – I: EVOLUTION AND FUNDAMENTALS OF BUSINESS

Introduction to Business: History of commerce in India – Classification of human activities; economic and non-economic – Types of economic activities; Business – Profession & employment – Concept – meaning – features – objectives; corporate social responsibility of business

Business Activities: Concept of Industry and Commerce – Hindrances involved in Commerce - Branches of Commerce – interrelationship between industry, trade and commerce – distinction between industry, trade and commerce

UNIT – II: FORMS OF BUSINESS ORGANIZATIONS

Concept and Meaning of business organization – forms of business organization.

Sole Proprietorship: Meaning and definitions – features – advantages and disadvantages of Sole proprietorship.


Joint Stock Company: Meaning and Definition of a Company as per companies Act – 2013 – features and classification of joint stock companies – Differences between private company and public company – Advantages and disadvantages of joint stock companies.

UNIT – III: FORMATION OF COMPANY AS PER COMPANIES ACT-2013

UNIT – IV: SOURCES OF BUSINESS FINANCE
Meaning of Business Finance – Nature and need – significance of Business Finance
Classification of Sources of funds – Factors determining the choice of source of finance.
Non- Institutional Sources of finance – Institutional Sources of Finance and
International sources of financé.

UNIT – V: MSME’S and MNCs
MSME’s: Meaning and definition of enterprise and MSMEs – Registration requirements
under MSMED Act, 2006 – significance of MSMEs – Privileges offered to MSMEs –
other promotional measures for MSMEs.
MNCs : Meaning and definition – necessity of globalization – MNCs – Features –
Advantages and Disadvantages of MNCs.
Emerging Trends in Business : Meaning and Definition of E – business – Scope of
E-business – Benefits of E-business – Opportunities and challenges of business in21st
century.

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