

**MS JUNIOR COLLEGE**  
**Hyderabad**  
**GUESS PAPER - I**  
**COMMERCE - I**  
**PART - I(Commerce)**

Time: 3 Hours

Max.Marks:100

**Section - A**

- I. I) Answer any TWO of the following questions : [2 x 10 = 20]**  
**II) Each question carries 10 Marks:**

1. Define Partnership? Explain its merits and demerits.
2. Define Joint Stock Company? Explain its features.
3. Define business finance? Explain need and significance of business finance.

**Section - B**

- II. I) Answer any FOUR of following questions in 20 lines each: [4 x 5 = 20]**  
**II) Each question carries 5 Marks:**

4. Define business? Explain features of business.
5. Define trade? Explain different types of trade.
6. Define Joint Hindu Family? Explain its merits and demerits.
7. Explain differences between public and private company.
8. Explain differences between equity and preference share.
9. Explain merits and demerits of MNC.

**Section - C**

- III. Answer any FIVE of following questions: [5 x 2 = 10]**

- |                       |                           |
|-----------------------|---------------------------|
| 10. Business          | 11. Entrepotrade          |
| 12. Active partner    | 13. Minimum subscriptions |
| 14. Retained earnings | 15. Karta                 |
| 16. Common seal       | 17. Promoters             |

**PART - II (Accountancy - 50 Marks)**

**Section - D**

- IV. Answer the following questions: [1 x 20 = 20]**

18. Prepare final accounts of Praveen Traders for the year ending 31-03-2014.

**Trial Balance**

Debit Balances	Amount Rs.	Credit Balances	Amount Rs
Opening Stock	3,200	Capital	20,000
Purchases	8,000	Creditors	2,000
Wages	1,000	Reserve for bad & doubtful debts	200
Carriage	500	Sales	9,800
Rent and Taxes	1,500	Purchase Returns	900
Commission	900		
Bills receivable	1,700		
Factory expenses	500		
Oil & fuel	600		
Motor van	4,000		
Trade Marks	2,000		
Debtors	8,000		
Cash	1,000		
	<b>32,900</b>		<b>32,900</b>

**Adjustments :**

- 1) Closing Stock : 5,800, 2) Depreciation on motor van : 10%, 3) Reserve for bad & doubtful debts : 5%, 4) Outstanding rent Rs.500, 5) Prepaid taxes : Rs.200.

**Section - E**

**V. Answer any ONE of following questions:**

**[1 x 10 = 10]**

19. Prepare triple column cash book from the following information:

2014		Rs.
Jan 1	Cash Balance	10,500
4	Bank balance	12,000
6	Cash sales	3,000
9	Purchased goods from Ashok and paid by cheque	2,500
15	Paid into Bank	2,000
	Paid to Phani	1,460
	Discount received	40
21	Received from Syam a cheque	980
	Discount allowed (Syam cheque sent to bank)	20
25	Cash withdrawn from bank for office use	1,000
30	Paid rent by cheque	1,600
31	Furniture bought by cheque	500

20. Pass Book of a trader shows a balance of Rs.12,600. On comparing the Pass Book with the Cash Book, the following discrepancies were noted.

- a) Cheques deposited in bank but not collected Rs.2,100
- b) Cheques issued but not presented for payment Rs.1,800
- c) Bank Charges Rs.175
- d) Bank paid insurance premium Rs.1500
- e) The debtor paid directly into bank account Rs.1200

**Section - F**

**VI. I) Answer any TWO of following questions:**

**[2 x 5 = 10]**

- 21. Explain principles of Accounts.
- 22. What are the advantages of double entry system.
- 23. Prepare Swami's account from the following :

2014

January 2	Amount due to Swami	Rs.12,000
8	Goods purchased from Swami	Rs.16,000
15	Goods returned to Swami	Rs. 5,000
20	Cash paid to Swami	Rs. 6,000
24	Goods purchased from Swami	Rs. 9,000
30	Swami's account is settled by cheque with 10% Discount	

24. Enter the following in Purchase Book and Purchase Returns Book :

**2012**

		Rs.
July 1 <sup>st</sup>	Purchased goods from Mohan	8,000
5 <sup>th</sup>	Purchased goods from Rajesh	6,000
10 <sup>th</sup>	Purchases goods from Ravi	5,000
12 <sup>th</sup>	Returned goods to Rajesh	600
15 <sup>th</sup>	Purchases goods from Hari	4,000
20 <sup>th</sup>	Goods returned to Ravi	300

**Section - G**

**VII. Answer any FIVE of following questions:**

**[5 x 2 = 10]**

- 25. Capital
- 26. Drawings
- 27. Fixed and current assets
- 28. Debit note and credit note
- 29. Debtor and Creditor
- 30. Journalise the following transactions in the books of Atma Ram

<b>2014</b>		<b>Rs.</b>
<b>Jan 1</b>	Started business with cash	25,000
03	Purchased computer	1,50,000
06	Purchased goods	6,000
07	Purchased on credit Rs.5,000 from Mahesh	
10	Purchased goods for 5,000 and paid by cheque	
12	Sold goods	10,000
14	Sold goods and received Rs.10,000 cash and Rs.5,000 by Cheque	

31. Pass Opening Journal Entry from the following particulars on 1<sup>st</sup> April, 2013

	<b>Rs.</b>
Plant & Machinery	15,000
Land & Buildings	25,000
Bank Loan	10,000
Furniture	8,000
Debtors	12,000
Creditors	14,000
Government Bonds	6,000
Cash in Hand	4,000

32. Prepare the Trial Balance of Renish as on 31-12-2013

<b>Particulars</b>	<b>Rs.</b>	<b>Particulars</b>	<b>Rs.</b>
Bills Receivable	1,000	Sales	1,200
Return Outwards	300	Bills Payable	800
Purchases	3,000	Capital	1,900
Returns inwards	200		

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