

- (g) Give the journal entries when partly paid shares are made fully paid up by bonus shares.
- (h) What do you mean by Cash Flow Statement?
- (i) What do you mean by gross working capital?
- (j) What is gross profit ratio?
2. What is a Fund Flow Statement? Explain its managerial uses. 10
3. A limited company issued 1000 Debentures Bonds of Rs. 100 each at a premium of 10 percent repayable at par at the end of the 10th year. The Debenture Bonds were payable Rs. 25 on application, Rs. 35 on allotment (including the premium) and the balance on first and final call. All the moneys were received by the company in due course.  
You are asked to journalise the above transactions in the books of the company. 10
4. What do you mean by bonus shares? What are the various sources from which these are issued? 10

(Continued)

5. Explain (any two): 10
- (a) Dual aspect concept
- (b) Going concern concept
- (c) Convention of consistency.
6. Journalise the following transactions in the books of Shyam and post them to Ledgers: 10
- 2012
- Jan-1 — Commenced business with cash Rs. 1,00,000.
- Jan-1 — Bought office furniture Rs. 30,000.
- Jan-2 — Bought goods on credit from Ram Rs. 20,000.
- Jan-5 — Sold goods to Hari on credit Rs. 10,000.
- Jan-6 — Sold goods to Prakash on credit Rs. 15,000.
- Jan-20 — Received cash from Hari and allowed discount Rs. 100.
- Jan-21 — Received cash from Prakash.
- Jan-31 — Paid rent Rs. 1,000.

7. Define the term working capital. What factors would you take into consideration in estimating the working capital needs of a concern? 10
8. Explain the following with the help of examples (any two): 10
- (a) Acid Test or Quick Ratio.
  - (b) Operating Profit Ratio.
  - (c) Capital Gearing Ratio.
  - (d) Absolute Liquid Ratio.

Full Marks : 70

Time : 3 hours

Answer any six questions, including Q. No. 1  
which is compulsory

*The figures in the right-hand margin indicate marks*

1. Answer the following : 2 × 10
- (a) What are the objects of Preparing Trial Balance?
  - (b) What is double entry system?
  - (c) What is business entity concept?
  - (d) What do you mean by debentures?
  - (e) What is cash credit?
  - (f) What is current ratio?