



Q.6

Payment of Income Tax is considered as

- (A) Direct Expenses
- (B) Indirect Expenses
- (C) Operating Expenses
- (D) None of the Above

Q.7 Net profit is obtained by deducting .....from Gross Profit.

- (A) Operating Expenses
- (B) Non-Operating Exp.
- (C) Operating and Non-Operating Exp.
- (D) None of the Above

Q.8 Main objective of common Size Statement of Profit & Loss is :

- (A) To present changes in assets and liabilities
- (B) To judge the financial soundness
- (C) To establish relationship between revenue from operations and other Items of statement of Profit & Loss
- (D) All of the Above

Q.9 Current assets include only those assets which are expected to be realised

Within .....

- (A) 3 months
- (B) 6 months
- (C) 1 year
- (D) 2 years

Q.10 Which of the following transactions will improve the quick ratio?

- (A) Sale of goods for cash
- (B) Sale of goods on credit
- (C) Issue of new shares for cash
- (D) All of the Above

Q.11 Under which major heads and sub-heads the following items will be places in the Balance Sheet of a company as per revised Schedule III, Part I of the Companies Act, 2013?

- (i) Accrued Incomes
- (ii) Loose Tools
- (iii) Provision for Employees Benefits
- (iv) Unpaid Dividend
- (v) Short-term Loans
- (vi) Long-term Loans

Q.12 Under which sub-heads 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 Reserve
- (ii) Bonds
- (iii) Loans repayable on Demand
- (iv) Vehicles
- (v) Goodwill
- (vi) Loose Tools

Q.13 From the following Balance Sheet of Exe Ltd. As at 31<sup>st</sup> March, 2020,

Prepare Comparative Balance Sheet:

BALANCE SHEET as at 31 March, 2020

Particulars	Note No.	31 <sup>st</sup> March, 2020 (₹)	31 <sup>st</sup> March, 2019 (₹)
<b>I. EQUITY AND LIABILITIES</b>			
1. Shareholders' funds			
Share Capital (Equity)		18,00,000	12,00,000
2. Non-Current Liabilities			
Long-term Borrowing: 8% Debentures (Secured)		6,00,000	6,00,000
3. Current Liabilities			
Trade Payables		6,00,000	3,00,000
<b>Total</b>		<b>30,00,000</b>	<b>21,00,000</b>
<b>II. ASSETS</b>			
1. Non-Current Assets			
Fixed Assets: Tangible Assets		18,00,000	15,00,000
2. Current Assets			
(a) Trade Receivables		10,00,000	5,00,000
(b) Cash and Cash Equivalents		2,00,000	1,00,000
<b>Total</b>		<b>30,00,000</b>	<b>21,00,000</b>

Q.14 From The following information, prepare a Comparative Statement of Profit and Loss:

Particulars	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
Revenue from Operations	₹ 24,00,000	₹ 18,00,000
Other Incomes (% of Revenue from Operations)	15%	25%
Expenses (% Revenue from Operations)	60%	50%
Tax Rate	40%	40%

Q.15 Prepare Common-size Statement of Profit and Loss from the following Information:

Particulars	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
Revenue from Operations	₹ 10,00,000	₹ 7,50,000
Other Income	₹ 1,00,000	₹ 75,000
Purchases of stock-in-Trade	₹ 7,50,000	₹ 6,00,000
Change in Inventories of Stock-in-Trade	₹ (50,000)	₹ 10,000
Other Expenses	₹ 10,000	₹ 7,500
Rate of Income Tax	50%	50%

Q.16 Prepare Common-size Balance Sheet from the following information:

Particulars	31 <sup>st</sup> March, 2019 (₹)	31 <sup>st</sup> March, 2020 (₹)
Shareholders' Funds	12,00,000	18,00,000

Non-current Liabilities	6,00,000	6,00,000
Current Liabilities	2,00,000	6,00,000
Non-current Assets	14,00,000	21,00,000
Current Assets	6,00,000	9,00,000

Q.17 Calculate Liquid Ratio/Quick Ratio/Acid Test Ratio from the following:

Working Capital ₹ 1,80,000; Total Debts, i.e., Outside Liabilities ₹ 3,90,000; Long-term Debts ₹ 3,00,000; Inventories ₹ 90,000.

Q.18 From the following information, compute Debt to Equity Ratio:

Long-term Borrowing	5,00,000	Equity Share Capital	2,00,000
Long-term Provisions	1,00,000	General Reserve	2,00,000
Surplus, i.e., Balance in Statement of Profit and Loss (Dr.)	1,00,000		

Q.19 From the following information, calculate Proprietary Ratio, Debt to

Equity Ratio and Total Assets to Debt Ratio:

Non-current Assets ₹ 40,00,000; Current Assets ₹ 40,00,000; Long-term Borrowing ₹ 25,00,000; Long-term Provisions ₹ 15,00,000; Current Liabilities ₹ 20,00,000.

Q.20. From the following details obtained from the financial statement of Jeev

Ltd., calculate Interest Coverage Ratio:	
Net Profit after Tax	₹ 1,20,000
12% Long-term Debt	₹ 20,00,000
Tax Rate	40%

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Q.21 ₹ 2,00,000 is Cost of Revenue from Operations (Cost of Goods Sold); Inventory Turnover Ratio 8 times; Inventory in the beginning is 1.5 Times more than the Inventory at the end. Calculate values of Opening And Closing Inventory.

Q.22 From the following information, calculate Trade Receivables Turnover Ratio:

Cost of Revenue from Operations (Cost of Goods-₹3,00,000      Opening Debtors-₹50,000

Gross Profit on Cost – 25% Closing Debtors-₹1,00,000 Cash Sales – 20% of Total Sales

Q.23 Current Assets ₹ 12,00,000; Current Liabilities ₹ 2,40,000; Sales: Credit ₹ 24,00,000 and Cash ₹ 5,20,000; Sales Return ₹ 40,000; Calculate Working Capital Turnover Ratio from the above information.

Q.24 Opening Inventory ₹ 5,00,000; Closing Inventory ₹ 3,00,000. Inventory Turnover Ratio 8 Times. Selling price 25% above cost. Calculate Gross Profit Ratio.

Q.25 Calculate 'Return on Investment' and 'Debt to Equity Ratio' from the

following information:

Net Profit after Interest and Tax	₹ 3,00,000
10% Debentures	₹ 5,00,000
Tax Rate	40%
Capital Employed	₹40,00,000