

BOARD OF INTERMEDIATE EDUCATION, A.P, HYDERABAD

MODEL PAPER (w.e.f.2009-10)

Sub: COMMERCE

PART-A (50 Marks)

II year

Answer any two of the following not exceeding 40 lines each.

2x10:20 M

1. What is Marketing? Explain the functions of marketing.
2. What is a Stock Exchange? State its functions.
3. State the powers and functions of consumer forums

Answer any four of the following not exceeding 20 lines each:.

4x5: 20 M

4. Write the basic Principles of insurance.
5. Write five advantages of advertising.
6. Write five differences between customs duties and excise duties.
7. Write in brief about E-Banking.
8. What is SEBI? Explain its any four functions.
9. Write the advantages of a computer.

Answer any five of the following not exceeding 5 lines each.

5x2:10 M

10. Special economic zone.
11. Tele marketing
12. State any two reasons for the backwardness of consumer movement in India
13. Out door media
14. Bonded ware houses
15. mixed policy
16. Stag
17. Central Processing Unit

PART-B (50 MARKS)

18. Answer the following Question.

1X20:20 M

The Balance Sheet of Sarath and Sindhu as on 31.12.2009 who are sharing profits and losses in the ratio of 3:1 is as follows:

Liabilities	Rs.	Assets	Rs.
Creditors	3,50,000	Cash at bank	3,00,000
General Reserve	1,00,000	Debtors	2,00,000
Sarath Capital	3,00,000	Stock	1,50,000
Sindhu Capital	2,00,000	Land & Buildings	2,00,000
		Furniture	1,00,000
	9,50,000		9,50,000

They have agreed to admit Sameer under the following conditions:

- a) Sameer has to bring a capital of Rs.2,00,000 for his 1/5th share of profits.
- b) Furniture and stock has to be depreciated by 10% and a reserve of 5% has to be created on debtors for had and doubtful debts.
- c) Land and Buildings has to be appreciated by 20%
- d) Goodwill has to be raised by Rs.80000

Prepare necessary ledger A/cs and the balance sheet of the new firm. 1x10

Answer any one of the following.

19. Samatha of Hyderabad consigned 100 bicycles to Kavitha of Kanur to be sold on behalf of Samatha. The Cost of each bicycle was Rs.300, but the invoice price was Rs.350. Samatha incurred Rs.2,000 on freight and insurance and received Rs.20,000 as advance from Kavitha. Kavitha paid Rs.500 as Octroi and Carriage, Rs.500 as rent and Rs.500 as insurance and disposed of 75 bicycles for Rs.30,000. Kavitha is entitled to a Commission @ 10% on sales. Kavitha remitted the amount due from him by a bank draft.

20. From the following particulars given below prepare income and expenditure A/c of Warangal Town Club for the year ending 31.12.2009

Receipts	Rs.	Payments	Rs.
To Balance b/d	1,200	By Salaries	6,500
To Subscription (including Rs.400 for 2010)	6,400	By Rent	1,200
To Interest on investments (investments cost Rs.40,000)	2,500	By Printing & Stationery	180
To Bank Interest	50	By Postage	50
To Scale of furniture	500	By Cycle Purchased	800
		By Govt. Bonds	1,000
		By Balance c/d	920
	----- 10,650 -----		----- 10,650 -----

Adjustments:- Subscriptions received included Rs.200 of 2008. Rent paid included Rs.100 for Dec. 2009. Subscriptions due for 2009 Rs.300. Salaries payable Rs.600. Cost of furniture sold was Rs.640.

Answer any two of the following : **5x2:10 M**

21. Draw the differences between consignment and scale.

22. On 01.01.2009 Kalyani sold goods Rs.10000 to Madhavi on the same day Kalyani drew a bill for 2 months for Rs.10000 on Madhavi. After receiving acceptance Kalyani discounted the bill with the bank and realized Rs.9500. On the due date Madhavi dishonoured the bill. Write entries in the books of Kalyani.

23. Machinery bought on 01.01.2006 for Rs.20,000 had become out dated and sold out it on 30.06.2008 for Rs.13,000. Draw up machine A/c and find out the profit or loss on sale of the machine. Assuming the depreciation was charged at 10% p.a. on fixed instalment method.

24. Ram keeps his books under the single entry system. His assets and liabilities were as under on 31.12.2009.

Cash Rs.90; Debtors Rs.4,500; stock Rs.3,200; Plant and Machinery Rs.8,000; Creditors Rs.1,490; Bills payable Rs.500.

During 2009 he introduced Rs.1,000 as new capital. He withdrew Rs.300 for every month for his house hold expenses. Ascertain his profits.

Answer any five of the following:

- 25 Write two causes of Depreciation.
- 26 Delcredere Commission
- 27 What is Legacy?
- 28 What is Capital Expenditure.
- 29 Explain about days of grace.
- 30 Give the meaning of single entry system.
- 31 A,B,C are partners in a firm sharing profit and losses in the ration of 3:2:1 they admitted D by giving $\frac{1}{7}$ th share. Calculate new profit sharing ration.
32. Write any two limitations of single entry system.
