

**TELANGANA STATE BOARD OF INTERMEDIATE EDUCATION,  
HYDERABAD**

**Model Question Paper Commerce-II (OLD)**

**PART-I (50 Marks)**

**Max Marks: 100**

**Time: 3 Hrs.**

**Section – A**

**2x10 = 20**

**I. Answer any two (2) of the following questions in not exceeding 40 lines each question carries 10 Marks.**

1. Define Banking and explain the functions of Banking?
2. What is Stock Exchange? Explain its functions.
3. Explain the Principles of Management?
4. What are the Characteristics of entrepreneurs?

**Section – B**

**4x5=20**

**II. Answer any Four (04) of the following questions in not exceeding 20 lines each question carries 05 Marks.**

5. What are the different forms of Bank lendings?
6. What are the differences between Primary Market and Secondary Market?
7. State the features of Insurance?
8. Explain the special provisions enacted by the Telangana State for the MSMEs.
9. What are the advantages of multiple shops?
10. What are the benefits of International Trade?
11. Name any five characteristics of Management?
12. What are the steps taken by Management in the Planning process?

**Section – C**

**5x2=10**

**III. Answer any Five (05) of the following questions in not exceeding 05 lines each question carries 02 Marks.**

13. What is Private Placement?
14. Who is Lameduck?
15. What is Assurance?
16. What is Fire Insurance?
17. What is Endowment Policy?
18. Who is Adoptive entrepreneur?
19. What are Bridge Loans?
20. What is Retail Trade?
21. What is Street Shops?
22. Explain the meaning of Control?

**PART-II (50 Marks)****Section – D****Answer the following questions.****1x20 = 20**

23. The following was the balance sheet of Ram and Rahim, who were Sharing Profits and Losses in the ratio of 2:3. Their balance sheet as on 31 March 2019 was as under.

Liabilities	Amount Rs.	Assets	Amount Rs.
Bills payable	25,000	Bank	10,000
Trade creditors	50,000	Debtors	40,000
General Reserve	20,000	Stock	30,000
P&L a/c	10,000	Investments	20,000
Capitals:		Furniture	25,000
Ram	50,000	Buildings	60,000
Rahim	30,000		
	1,85,000		1,85,000

On 1<sup>st</sup> April 2019, they agreed to admit Mr. Peter as new partner for 1/5<sup>th</sup> share in profits on the following terms:

- (a) Peter should bring Rs.40,000 for capital and Rs.20,000 for goodwill in cash.
- (b) Depreciates furniture by 5% and stock by 10%.
- (c) Appreciate buildings value by 15%.
- (d) Provide for bad debts at 5% on debtors.

Give necessary ledger accounts and opening balance sheet of new firm.

**Section – E****Answer any one of the following questions.****1x10 = 10**

24. Distinguish the differences between Consignment and Sales?
25. Krishna of Mumbai and Gopal of Chennai are in consignment business. Gopal sent goods to Krishna Rs.10,000. Gopal paid freight Rs.500. Insurance Rs.1,500. Krishna met sales expenses Rs.900. Krishna sold the entire stock for Rs.20,000 and is entitled to a commission of 5% on sales. Prepare necessary ledger accounts in the books of Consignor.

26. Warangal Youth Club gives you their receipts and payments account and other information and request you to prepare their income and expenditure for the year ended 31.03.2019.

Dr. Receipts and Payments Account for the year ended 31.03.2019. Cr.

Receipts	Amount Rs.	Payments	Amount Rs.
To Balance	3,800	By Salaries	20,000
To Subscriptions	90,000	By Purchase of furniture	1,55,000
To Donations received for mineral water	80,000	By Purchase of shares	20,000
To Sale of old furniture	42,000	By Stationery and Printing	22,000
To Interest on investment	10,200	By General expenses	4,000
		By Balance c/d	5,000
	2,26,000		2,26,000

#### Additional Information

1. Outstanding subscriptions on 31.03.2019 Rs.1,500.
2. Subscriptions received in advance on 31.03.2019 Rs.500
3. Value of old furniture sold is Rs.45,000.

### Section – F

**Answer any Two of the following questions.**

**2x5 = 10**

27. Raghava bought a Plant and Machinery on 1<sup>st</sup> April, 2016 for Rs.23,000 and paid Rs,2000 for its installation. Depreciation is to be allowed at 10% under straight line method. On 31<sup>st</sup> March 2019 the Plant was sold for Rs.8,000. Assuming that the accounts are closed at the end of the financial year. Prepare Plant & Machinery a/c.

28. Find out profit from the following data.

Capital at the beginning of the year	:	Rs. 12,000
Capital at the end of the year	:	Rs. 18,000
Drawings during the year	:	Rs. 4,000
Further capital introduced during the year:		Rs. 5,500

29. What is donation? Explain the types of donations?

30. From the following details, prepare Receipts and Payments account.

	Rs.
Opening balance of cash	500
Opening bank Balance	4,800
Subscriptions collected	8,000
Entertainment shows receipts	3,000
Entrance fees received	1,000
Computer purchased	2,000

Tournament expenses	3,000
Entertainment show expenses	1,800
Paid for periodicals	1,200
Salaries Paid	3,000
Rent Paid	1,200
Cash in hand at close	800

31. What are the features of Computerised Accounting?
32. Explain any five differences between Manual and Computerised Accounting systems.

### **Section – G**

**Answer any Five of the following questions.**

**5x2 = 10**

33. Calculate profit from the following:

Capital at the end of the year = Rs.18,000

Capital at the beginning of the year = Rs.11,000

34. What is delcredere Commission?
35. What is Account Sales?
36. What is Legacy?
37. What is Subscription?
38. What is Partnership Deed?
39. X and Y are partners sharing profits and losses in the ratio of 3:2. They decided to admit Mr.Z for 1/5 share in profit. Calculate new profit sharing ratio of X, Y and Z.
40. What is ratio of gaining?
41. What is Computerised Accounting?
42. What is the meaning of Economical in Computerised Accounting?