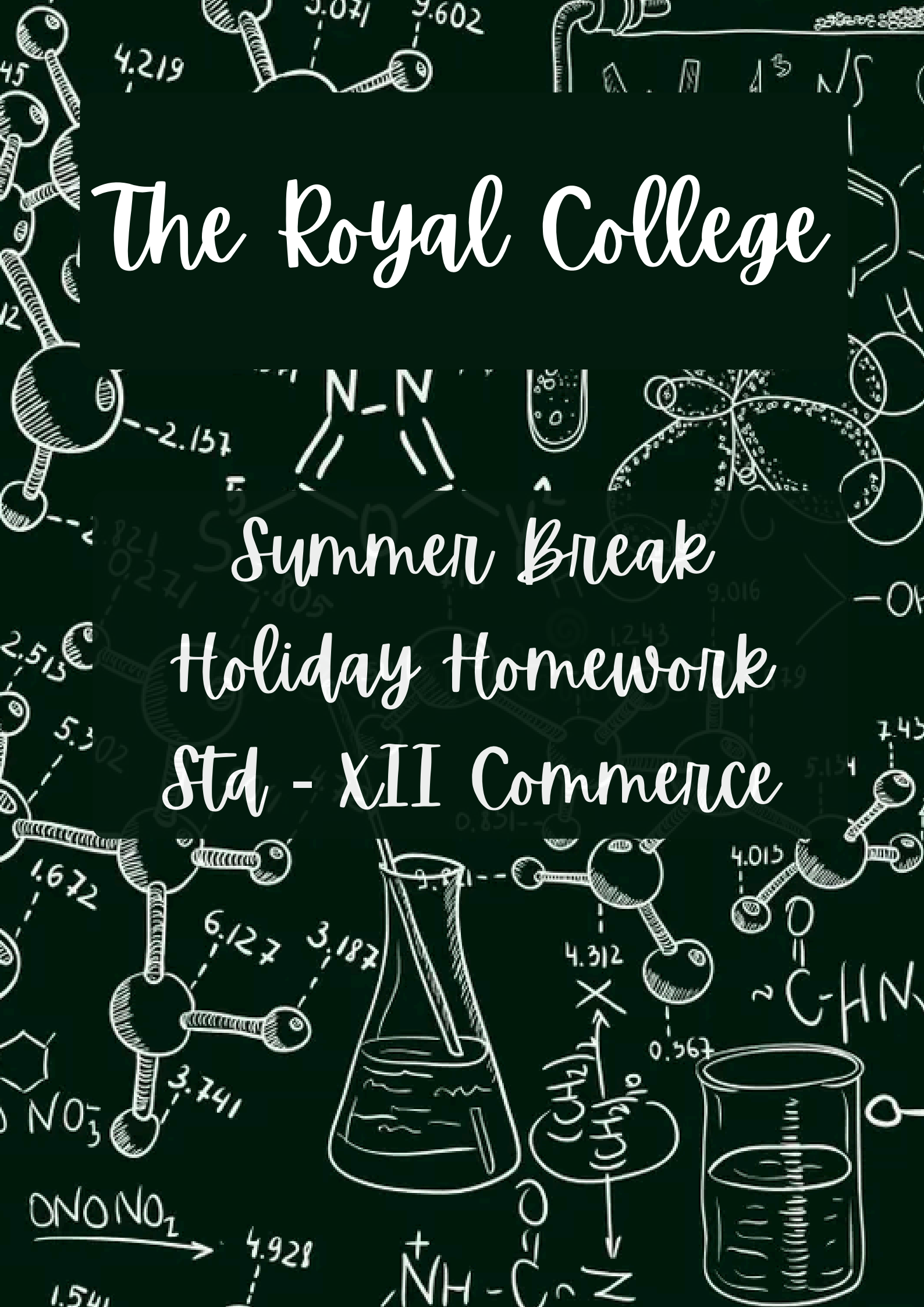


The Royal College

Summer Break Holiday Homework Std - XII Commerce



Dear Explorers of Knowledge.

As you step into the sunshine of your summer break, we just wanted to say a big THANK YOU for learning with heart, thinking with spark. and making this term truly remarkable!

This holiday homework is not a checklist - it's a passport to curiosity. A canvas for your ideas and a chance to dream beyond the classroom walls. We can't wait to see your creative sparks turn into brilliant work.

Until then...

Stay inspired, stay kind, and don't forget to laugh a little louder!
Happy Holidays & Happy Creating!

GENERAL INSTRUCTIONS

- Design your own folder using Eco-friendly material (old calendars, newspapers, old paper bags etc.). Be creative and use your imagination. Write your name and paste your own picture on the cover.
- Try not to finish the homework in a short time.
- Complete all the worksheets neatly and submit them to your class teacher after the vacation.
- There are many more ways to make vacations memorable.
- Get up early in the morning and see the rising sun. Go for a nature walk and feel the fresh air. Try to spend quality time with your elders and share your thoughts and ideas with them.
- Eat healthy food, drink lots of water and healthy drinks during summer.
- Keep two bowls out in the open- on your balcony or your lawn. Fill one with water and the other with some grains. Welcome your feathered guests and watch them flutter around your house. Click their pictures and display in the class.
- Inculcate good manners use these four magic words 'Please, Thank you, Excuse me, Sorry' and see the difference.
- Help your parents to keep the house clean. Do small household jobs like dusting, watering the plants, laying dinner table and so on.
- Request your grandparents to tell you interesting anecdotes from their life.
- Last but not the least - 'Try to converse in English with your family members and friends.'



HOLIDAY HOMEWORK INSTRUCTIONS

Before commencing the Holiday Homework, all students are instructed to thoroughly revise the syllabus completed up to May 2026 in all subjects. Students should carefully review all concepts, notes, examples and classroom discussions conducted during the academic session.

Students must practise all questions that have been solved, discussed and assigned in class. Regular written practice is essential for strengthening conceptual understanding and improving examination performance.

All Holiday Homework questions are to be completed neatly in separate subject notebooks. Proper presentation, accuracy, completeness and timely completion of work are expected from every student.

The completed work will be reviewed after the reopening of the school and will form an important part of the academic assessment. Students are therefore advised to complete all assigned work sincerely and responsibly during the vacation period.

* Choose The Right Answer From The Given Options.[1 Marks Each]

[10]

1. In the absence of partnership deed the profits of a firm are divided among the partners:
 - a. In the ratio of capital.
 - b. Equally.
 - c. In the ratio of time devoted for the firm's business.
 - d. According to the managerial abilities of the partners.
2. In the absence of Partnership Deed, interest on loan of a partner is allowed:
 - i. at 8% per annum.
 - ii. at 6% per annum.
 - iii. no interest is allowed.
 - iv. at 12% per annum.
3. The restriction on the maximum number of partners in a partnership firm are prescribed in ____:
 - a. Partnership Act
 - b. Companies Act
 - c. Law of contracts
 - d. Law of limitations
4. Select the odd one _____
 - a. To submit a dispute to arbitration
 - b. To open a bank account on behalf of the firm in his own name
 - c. To acquire immovable property
 - d. To receive payment on behalf of the firm after giving proper receipt
5. A partnership is created for which of these purposes?
 - a. Business
 - b. Religious
 - c. Social
 - d. Charitable
6. Which Act of Companies incorporated the 'Principle of Limited Liability'?
 - a. The Companies Act, 1850
 - b. The Companies Act, 1857
 - c. The Companies Act, 1936
 - d. The Companies Act, 1956
7. According to the Companies Act, 2013 the paid up capital of a 'Small Company' does not exceed _____.

- a. Rs 100 crore
- b. Rs 100 lakh
- c. Rs 50 crore
- d. Rs 50 lakh

8. Indian Partnership Act,1932 is not applicable to which of these states?

- a. Jammu & Kashmir
- b. Jharkhand
- c. Uttarakhand
- d. Punjab

9. _____ is not an essential requirement of a valid partnership.

- a. Sharing of loss
- b. Carrying business
- c. Association of two or more person
- d. Agreement

10. A partner can be added to share _____.

- a. Only Profits
- b. Only Losses
- c. Both
- d. None

*** MCQ**

[6]

11. Assertion (A) :

A new partner can be admitted, if it is agreed in the partnership deed but in the absence of partnership deed, a new partner can be admitted only if all the partners agree to admit that partner.

Reason (R) :

Section 31 of the Indian Partnership Act, 1932 will be applicable.

Choose the Correct Option from the following:

- (A) Assertion and Reason both are correct in view of Introduction of a new partner
- (B) Assertion and Reason both are correct but Reason is not correct explanation of assertion
- (C) Both Assertion and Reason are not correct
- (D) Only Assertion is correct

12. Assertion (A):

At the time of admission of a new partner, if any outstanding liability (given in balance sheet) is paid by the firm, it will not be shown in the Revaluation Account.

Reason (R) :

Revaluation Account is prepared to revalue the assets and to reassess the

liabilities.

Choose the Correct Option from the following:

(A) Assertion and Reason both are correct and Reason is the correct explanation of assertion

(B) Assertion and Reason both are correct but Reason is not correct explanation of assertion

(C) Both Assertion and Reason are not correct

(D) Only Assertion is correct

13. Assertion (A) :

At the time of admission of a partner. Goodwill appearing in the existing balance sheet, will be Debited to old partners capital/current account in their old profit sharing ratio.

Reason (R):

Premium for goodwill brought by new partner will be credited to only sacrificing partners capital/current account.

Choose the Correct Option from the following:

(A) Assertion and Reason both are correct and Reason is the correct explanation of assertion

(B) Assertion and Reason both are correct but Reason is not correct explanation of assertion

(C) Both Assertion and Reason are not correct

(D) Only Assertion is correct

14. Assertion (A) :

When partners Capitals are fixed, Asset taken over by the partner will be shown in the debit side of his capita account instead of his current account.

Reason (R) :

Fixed Tangible Asset taken over by the partner will be considered as withdrawal of capital, in the absence of any other information.

Choose the Correct Option from the following:

(A) Assertion and Reason both are correct and Reason is the correct explanation of assertion

(B) Assertion and Reason both are correct but Reason is not correct explanation of assertion

(C) Both Assertion and Reason are not correct

(D) Only Assertion is correct

15. Assertion (A) :

At the time of admission of a new partner, purchase of a new asset will not be recorded in the revaluation account but if asset was written off earlier is

brought back into the books, it will be shown in the Credit side of Revaluation Account.

Reason (R) :

Revaluation Account is prepared to Record all types of assets whether assets are old or new, purchased or sold.

Choose the Correct Option from the following:

- (A) Assertion and Reason both are correct and Reason is the correct explanation of assertion
- (B) Assertion and Reason both are correct but Reason is not correct explanation of assertion
- (C) Both Assertion and Reason are not correct
- (D) Only Assertion is corrects

16. Assertion (A) :

At the time of admission of a new partner, if partners have decided not to distribute the General Reserve (given in balance sheet), instead of crediting the amount of General Reserve to the partners directly, an adjustment entry is to be recorded.

Reason (R) :

Adjustment entry is recorded to determine the amount of compensation to be paid to the sacrificing partners.

Choose the Correct Option from the following:

- (A) Assertion and Reason both are correct and Reason is the correct explanation of assertion
- (B) Assertion and Reason both are correct but Reason is not correct explanation of assertion
- (C) Both Assertion and Reason are not correct
- (D) Only Assertion is correct

*** MCQ**

[20]

17. You are required to answer the following questions:

1.

Gagan and Megha are partners, sharing profits in the ratio of 2:1. To meet the requirement of capital they decided to admit a new partner Nishant for 1/3rd share in profit.

At the time of admission, the Balance Sheet stood as follows:

Liabilities		Amount	Assets		Amount
Capital A/cs:			Freehold Property		2,40,000
Gagan	2,10,000		Plant and Machinery		1,60,000
Megha	3,90,000	6,00,000	Building		1,00,000
Investment Fluctuation Reserve		18,000	Furniture		80,000
Creditors		25,000	Debtors	55,000	
Bills Payable		42,000	Less: Provision for	5,000	
Outstanding Salaries		15,000	Doubtful debts		50,000
			Current investment		45,000
			Cash in hand		25,000
		7,00,000			7,00,000

Nishant brings Rs.2,30,000 as his capital and Rs.70,000 for premium for goodwill. Following adjustments to be considered:

(i) Freehold property to be appreciated by Rs.30,000. Plant and Machinery reduced to 1,20,000. Building is appreciated to 130%. Insurance premium paid during the year included Rs.2,000 unexpired insurance.

(ii) A debtor whose account was written off as bad debts for Rs.8,400 before two years, now paid 50% amount in cash.

(iii) A creditor to whom 9,000 was payable, draw a bill of exchange for 3 months, which was duly accepted.

(iv) Megha took investment costing Rs.12,000 and remaining investment valued at Rs.38,000.

(v) A claim received and accepted by the firm for workmen, compensation Rs.75,000.

New Ratio among the partners:

- (A) 4 : 2 : 3
- (B) 2 : 1 : 1
- (C) 3 : 2 : 1
- (D) 5 : 3 : 2

2. Value of Fixed Assets to be shown in the credit side of Revaluation Account:

- (A) 60,000
- (B) 30,000
- (C) 1,60,000
- (D) 1,00,000

3. Investment to be shown in Revaluation Account:

- (A) 12,000 Debit Side
- (B) 38,000 Credit side
- (C) 26,000 Credit side
- (D) 5,000 Credit side

4. Final value of creditors to be shown in Balance Sheet:

- (A) 25,000
- (B) 16,000
- (C) 34,000
- (D) 9,000

18. You are required to answer the following questions

1.

Jolly and Mayank are partners since last 5 years. Vinod gets 75% of the profit and Mayank gets 25%. Their capitals are fixed. They need more capital for the business so they decided to admit a new partner Yuvraj for 1/4th share.

Yuvraj brings Rs.3,00,000 as his capital.

He could bring only 40% of his share in cash and Furniture of Rs.16,000 for his share of goodwill.

Goodwill of the firm was valued at Rs.2,40,000.

The new ratio of the partners will be:

- (A) 3 : 1 : 1
- (B) 5 : 3 : 2
- (C) 9 : 4 : 3
- (D) 9 : 3 : 4

2. How much amount of premium for goodwill brought in cash by Yuvraj?

- (A) 9,600
- (B) 24,000
- (C) 25,600
- (D) 24,600

3. Yuvraj was unable to bring Rs. _____ as his share of premium for goodwill

- (A) 24,000
- (B) 9,600
- (C) 16,000
- (D) 20,000

4. Sacrificing Ratio of Vinod and Mayank is 3 : 1.

- (A) True
- (B) False

19. From the above information find out

1.

Ridhi, Param and Yashika were partners sharing profits and losses in the ratio of 3:3:2. They agree to admit Mohit as a new partner in the firm for 1/5th share. New profit-sharing ratio was decided by the partners and added to the agreement. New partner could bring only 75% of his share of premium in cash. Following entries were passed at if time of admission.

Date	Particulars	L.F.	Debit	Credit
	Cash A/c Dr.		5,00,000	
	To Mohit's Capital A/c			4,10,000
	To Premium for Goodwill A/c			90,000
	(Being capital and premium brought by new partner)			
	Yashika's Capital A/c Dr.		20,000	
	Premium for Goodwill A/c Dr.		90,000	
	Mohit's Current A/c Dr.		30,000	
	(unpaid premium)			
	To Ridhi's Capital A/c			1,20,000
	To Param's Capital A/c			20,000
	(Being premium adjusted)			

Total Goodwill of the firm:

- (A) 4,50,000
- (B) 5,00,000
- (C) 5,50,000
- (D) 6,00,000

2. Yashika's Gain share:

- (A) 1/10
- (B) 1/20
- (C) 1/30
- (D) 1/40

3. Sacrifice Share of Ridhi and Param:

- (A) 3 : 1
- (B) 4 : 1
- (C) 5 : 1
- (D) 6 : 1

4. New profit Sharing Ratio:

- (A) 41 : 21 : 34 : 24
- (B) 21 : 41 : 34 : 24

(C) 21 : 41 : 24 : 34

(D) 21 : 34 : 41 : 24

20. You are required to find out :

1.

On 1.1.2015, Uday and Kaushal entered into partnership with fixed capitals of Rs.7,00,000 and Rs.3,00,000 respectively. They were doing good business and were interested in its expansion but could not do the same because lack of capital. Therefore, to have more capital, they admitted Govind as a new partner on 1.1.2017. Govind brought Rs.10,00,000 as capital and the new profit sharing ratio decided was 3:2: 5. On 1.1.2019, another new partner Hari was admitted with a capital of Rs.8,00,000 for 1/10th share in the profits, which he acquired equally from Uday, Kaushal and Govind. On 1.4.2021 Govind died and his share was taken over by Uday and Hari equally. The sacrificing ratio of Uday and Kaushal on Govind's admission:

(A) 3 : 2

(B) 2 : 3

(C) 3 : 1

(D) 2 : 1

2. New profit sharing ratio of Uday, Kaushal, Govind and Hari on Hari's admission:

(A) 8 : 5 : 14 : 3

(B) 14 : 8 : 5 : 3

(C) 5 : 8 : 14 : 3

(D) 3 : 5 : 8 : 14

3. New profit sharing ratio of Uday, Kaushal and Hari on Govind's death:

(A) 3 : 2 : 1

(B) 1 : 2 : 3

(C) 3 : 2 : 2

(D) 3 : 1 : 2

21. You are required to answer the following

1.

X and Y are sharing profits in the ratio of 5:4. They admit Z as a new partner for 1/6th share in the profits. New ratio agreed upon is 3:2:1. Z brings Rs.2,00,000 as capital but unable to bring premium for goodwill in cash.
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At the time of admission of Z, Goodwill to be valued by Capitalization of average profit of last 3 years.

At the year ending 31st March 2019	Profit Rs.39,000 (including abnormal loss of Rs.9,000)
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At the year ending 31st March 2020	Profit Rs.83,000 (including abnormal gain of Rs.8,000)
At the year ending 31st March 2021	Profit Rs.72,000
On 1st April 2021, the firm had assets of Rs.8,00,000, Creditors Rs.3,60,000, General Reserve Rs.40,000, Partners capital Accounts Balance Rs.4,00,000.	
Normal rate of return expected 13% from this type of business.	

(A) 62,333

(B) 62,000

(C) 63,000

(D) 65,000

2. Capitalised value of average profit:

(A) 65,000

(B) 6,50,000

(C) 5,00,000

(D) 8,450

3. Net Assets will be:

(A) 4,40,000

(B) 4,00,000

(C) Nil

(D) 8,00,000

4. Z's share of premium for goodwill:

(A) 40,000

(B) 30,000

(C) 20,000

(D) 10,000

*** questions of 6 marks each.**

[108]

22. Lata and Mamta a repartners with capitals of ₹ 3,00,000 and ₹ 2,00,000 respectively sharing profits as Lata 70% and Mamta 30%. During the year ended 31st March 2016 they earned a profit of ₹ 26,440 before allowing interest on loan. The terms of partnership are as follows:

- i. Interest on Capital is to be allowed @ 7% p.a.
- ii. Lata to get a salary Of ₹ 2,500 per month.
- iii. Interest on Manita's Loan account of ₹ 80,000 for the whole year.
- iv. Interest on drawings of partners at 8% per annum. Drawings being Lata ₹ 36,000 and Mamta ₹ 48,000.
- v. $\frac{1}{10}$ th of the distributable profit should be transferred to General Reserve.

Prepare the Profit and Loss Appropriation Account.

Hints:

- i. Interest on Loan will be calculated at 6% p.a.
- ii. Interest on Drawings will be calculated for an average period of 6 months.
- iii. Transfer to General Reserve will be 10% of net profit, i.e., 10% of 1,60,000 = ₹ 16,000.

23. On 1st April, 2017 the balances of A and B were as follows:

	Capital Account (₹)	Capital Account (₹)
A	1,00,000	(Cr.) 8,420
B	40,000	(Dr.) 3,200

On 1st July, 2017 A withdrew ₹ 20,000 from his capital and B introduced ₹ 10,000 as further capital on the same date. According to the deed, interest on capitals is to be allowed at 8% p.a. but no interest is to be allowed or charged on current account is entitled to a commission of 10% of the profit before any adjustment is made according to the deed. For the year ended 31st March, 2018, the profit was ₹ 40,000 and the drawings of A and B were ₹ 12,000 and ₹ 10,000 respectively. Prepare the P & L Appropriation A/c Capital Accounts and Current Accounts.

24. A and B are partners in a firm sharing profits and losses in the ratio of 3 : 2. The balance in their capital and current accounts as on 1-4-2017 were as under.

	A (₹)	B (₹)
Capital Account	40,000	20,000
Current Account (Cr.)	16,000	12,000

The partnership deed provided that A is to be paid salary @ ₹ 500 p.m. whereas B is to get commission of ₹ 4,000 for the year. Interest on capital is to be allowed @ 6% p.a. The drawings of A and B for the year were ₹ 5,000 and ₹ 2,000, respectively. Interest on drawings for A and B works out at ₹ 225 and ₹ 75 respectively. The net profit of the firm for the year ended 31st March 2018 before making these adjustments was ₹ 35,700 Prepare the Profit and Loss Appropriation Account and the Partners Capital and Current Accounts.

25. Calculate the interest on Drawings of Tarun @ 8% p.a. for the year ended 31st March, 2018 in each of the following alternative cases:

Case (a) If his drawings during the year were ₹ 60,000. **Case (b)** If he withdrew ₹ 5,000 p.m. in the beginning of every month. **Case (c)** If he withdrew ₹ 5,000 p.m. at the end of every month. **Case (d)** If he withdrew ₹ 5,000 p.m. during the year.

Case (e) If he withdrew the following amounts as under. 2015 June, 1 : ₹ 10,000; August 31 : ₹ 12,000; November 1 : ₹ 16,000; December 31 : ₹ 13,000; February 1, 2016 : ₹9,000.

26. A and B are partners As per the terms of agreement interest is allowed on capitals @ 8% p.a. and charged on drawings @10% p.a. A withdrew ₹ 10,000 per month at the end of each month and B withdrew ₹ 30,000 at the end of each quarter. You required to fill up the missing figures in the following accounts:

Profit & Loss Appropriation A/c
for the year ended 31st March, 2015

Dr.		Amount (₹)	Cr.	
Particulars			Particulars	Amount (₹)
To			By Profit & Loss A/c (Net profit)	-
By Interest on Capital:			By Interest on Drawings:	
A	40,000		A	-
B	-	72,000	B	-
To Profit transferred to:				
A's Current A/c	-			
B's Current A/c	70,000	-		
		-		-

Partner's Capital Account

Dr.		A (₹)	B (₹)	Cr.		
Particulars				Particulars	A (₹)	B (₹)
To		-	-	By	-	-
To		-	-	By Salary A/c	90,000	-
To		-	-	By	-	-
				By	-	-
		-	-		-	-

27. X and Z are partners with capitals of ₹ 25,000 and ₹ 15,000 respectively on 1st April, 2016. Each partner is entitled to 9% p.a. interest on his capital. Z is entitled to a salary of ₹ 6,000 p.a. together with a commission of 6% of Net Profit remaining after deducting interest on capitals and salary and after charging his commission. The profits for the year ended 31st March, 2017 before making any of the above mentioned adjustments amount to ₹ 30,800. Prepare Partner's Capital Accounts:

- i. When capitals are fixed.
- ii. When capitals are fluctuating.

28. P, Q and R were partners sharing profits in the ratio of 1 : 3 : 2. Following was their Balance Sheet as at 31st March, 2018:

Liabilities		₹	Assets		₹
Sundry Creditors		2,80,000	Land and Building		5,00,000
Outstanding Expenses		15,000	Investments		1,25,000
Workmen Compensation Res.		60,000	(Market Value ₹ 1,10,000)		
Investment Fluctuating Res.		45,000	Stock		2,20,000
Capitals:			Sundry Debtors		3,20,000
P	2,00,000		Bank Balance		1,60,000
Q	5,00,000		Advertisement Suspence		75,000
R	3,00,000	10,00,000			
		14,00,000			14,00,000

On 1st April, 2018 they decided to share future profits in the ratio of 4 : 6 : 5. It was agreed that:

- Claim for Workmen Compensation has been estimated at ₹ 1,00,000.
- A motor cycle valued at ₹ 30,000 was unrecorded and is now to be recorded in Tie the books.
- Outstanding expenses were not payable anymore.
- Value of stock be increased to ₹ 2,90,000.
- A provision for doubtful debts, be created @5% on Sundry Debtors.
- Goodwill is valued at ₹ 1,00,000.
- The work of reconstitution was assigned to firm's auditors. They were paid ₹ 20,000 for this work.

Pass journal entries and prepare Revaluation Account.

29. X and Y are partners sharing profits and losses in the ratio of 4 : 3. Their Balance Sheet as at 31st March, 2016 stood as follows:

Liabilities		₹	Assets		₹
Sundry Creditors		28,000	Cash		20,000
Reserve		42,000	Sundry Debtors		1,20,000
Capitals:			Stock		1,40,000
X	2,40,000		Fixed Assets		1,50,000
Y	1,20,000	3,60,000			
		4,30,000			4,30,000

They decided that with effect from 1st April, 2016, they will share profits and losses in the ratio of 2 : 1. For this purpose they decided that:

- Fixed assets are to be depreciated by 10%.
- A provision of 6% be made on debtors for doubtful debts.
- Stock be valued at ₹ 1,90,000.
- An amount of ₹ 3,700 included in creditors is not likely to be claimed.

Partners decided to record the revised values in the books. However, they do not want to disturb the reserves. You are required to prepare journal entries, capital accounts of the partners and the revised balance sheet.

30. S, T, U and V were partners in a firm sharing profits in the ratio of 4 : 3 : 2 : 1. On 1-4-2016 their Balance Sheet was as follows:

BALANCE SHEET OF S, T, U AND V

as at 1-4-2016

Liabilities	₹	Assets	₹
Capitals:		Fixed Assets	4,40,000
S	2,00,000	Current Assets	2,00,000
T	1,50,000		
U	1,00,000		
V	50,000		
Sundry Creditors	80,000		
Workmen Compensation Reserve	60,000		
	6,40,000		6,40,000

From the above date partners decided to share the future profits in 3 : 1 : 2 : 4 ratio. For this purpose the goodwill of the firm was valued at ₹ 90,000. The partners also agreed for the following:

- i. The claim for workmen compensation has been estimated at ₹ 70,000.
- ii. To adjust the capitals of the partners according to new profit sharing ratio by opening partners current accounts.

Prepare Revaluation Account, Partners' Capital Accounts and the Balance Sheet of the reconstituted firm.

31. The following information relates to a partnership firm:
- a. Sundry Assets of the firm ₹ 6,80,000. Outside Liabilities ₹ 60,000.
 - b. Profits and losses for the past years: Profit 2013 ₹ 50,000; Loss 2014 ₹ 10,000; Profit 2015 ₹ 1,64,000 and Profit 2016, ₹ 1,80,000.
 - c. The normal rate of return in a similar type of business is 12%.

Calculate the value of goodwill on the basis of:

- i. Three year's purchase of average profits.
- ii. Three year's purchase of super profits.
- iii. Capitalisation of average profitst.
- iv. Capitalisation of super profits.

32. X, Y and Z are partners sharing profits and losses in the ratio of 7 : 5 : 4. Their balance sheet as at 31st March 2016 stood as follows:

Liabilities		₹	Assets		₹
Capitals:			Sundry Assets		6,00,000
X	2,00,000				
Y	1,50,000				
Z	<u>1,20,000</u>	4,70,000			
General Reserve		75,000			
Profit & Loss A/c (Profit)		15,000			
Creditors		40,000			
		6,00,000			6,00,000

Partners decided that with effect from 1st April 2016, they will share profits and losses in the ratio of 3 : 2 : 1. For this purpose goodwill of the firm was valued at 1,50,000. The partners do not want to distribute the general reserve and profits. Pass a single journal entry to record the change and prepare a revised balance sheet.

33. Following information is available about the business of a firm:

- Profits: In 2013, ₹ 40,000 In 2014, ₹ 50,000 In 2015, ₹ 60,000.
- Non recurring income of ₹ 1,000 is included in the profits of 2014.
- Profits of 2013 have been reduced by ₹ 6,000 because goods were destroyed by fire.
- Goods have not been insured but it is thought to insure them in future. The insurance premium is estimated at ₹ 400 per year.
- Reasonable remuneration of the proprietor of business is ₹ 6,000 per year, but it has not been taken into account for calculation of above mentioned profits.
- Profits of 2015 include ₹ 5,000 income on investment.

Goodwill is agreed to be valued at two year's purchase of the weighted average profits of the past three years. The appropriate weights to be used are: 2013:- 1
2014:- 2 2015:- 3

34. Charu and Deepika were partners sharing profits in the ratio of 3 : 2. They admitted Esha, as a new partner and the new ratio is agreed at 4 : 3 : 2. On the date of Esha's admission, the Balance Sheet of Charu and Deepika disclosed General Reserve ₹ 1,20,000; Dr. balance in Profit & Loss Account ₹ 40,000; Investments ₹ 2,00,000 and Investment Fluctuation Reserve ₹ 60,000.

The following was agreed upon Eshas admission:

- Esha will bring ₹ 3,00,000 as her Capital and her share of goodwill premium in cash.
- Goodwill of the firm be valued ₹ 1,80,000.
- The market value of investments was ₹ 2,30,000.

Pass the necessary journal entries.

Balance Sheet (After Admission)

as at 1st April, 2016

Liabilities	Amount (₹)	Assets	Amount (₹)
Creditors	30,000	Bank	-
Electric Charges Outstanding	7,000	Debtors	60,000
Capital Accounts:		Stock	1,44,000
P	-	Prepaid Expenses	8,000
Q	-	Plant & Machinery	1,20,000
R	-	Premises	3,00,000
	-	R's Current A/c	-
	-		-

36. The Balance Sheet of A and B carrying on business in partnership and sharing profits in proportion of $\frac{2}{3}$ and $\frac{1}{3}$ stood as at June 30, 2018 as follows:

Liabilities	₹	Assets	₹
A's Capital	1,02,900	Cash in Hand	4,500
B's Capital	73,500	Stock	54,000
Creditors	23,600	Debtors	36,000
Bills Payable	500	Furniture	6,000
		Plant & Machinery	1,00,000
	2,00,500		2,00,500

On July

1, 2018, they agreed to take C into partnership giving him $\frac{1}{5}$ th share of profit on the following terms:

- The goodwill of the firm is to be valued at two year's purchase of profit calculated on the average of the last three year's profits amounting to ₹ 40,000, ₹ 30,000, and ₹ 44,075.
- C brings his share of goodwill in cash, which is retained in the business.
- Partners decide to share future profits in the ratio of 3 : 1 : 1.
- C also brings in capital in proportion to his profit sharing ratio arrangement.

Prepare Journal entries and prepare the Capital Accounts of the partners.

37. A and B share the profits of a business in the ratio of 5 : 3. They admit C into the firm for a $\frac{1}{4}$ th share in the profits to be contributed equally by A and B. On the date of admission of C, the Balance Sheet of the firm was as follows:

Liabilities	₹	Assets	₹
A's Capital	3,00,000	Machinery	2,60,000
B's Capital	2,00,000	Furniture	1,60,000
Workmen's Compensation Res.	40,000	Stock	1,20,000
Bank Loan	1,20,000	Debtors	80,000
Creditors	20,000	Bank	60,000
	6,80,000		6,80,000

Terms

of C's admission were as follows:

- C will bring ₹ 3,30,000 for his share of capital and goodwill.
- Goodwill of the firm has been valued at 4 year's purchase of the average super profits of last three years. Average profits of the last three years are ₹ 2,20,000 while the normal profits that can be earned with the capital employed are ₹ 1,40,000.
- Furniture is to be appreciated by ₹ 60,000 and the value of stock is to be reduced by ₹ 20,000.

Prepare Revaluation Account, Partner's Capital Accounts and the new Balance Sheet of A, B and C.

38. The Balance Sheet of A and B as at 31st March, 2018 is given below:

Liabilities	₹	Assets	₹
A's Capital A/c	60,000	Freehold Property	20,000
B's Capital A/c	30,000	Furniture	6,000
General Reserve	24,000	Stock	12,000
Creditors	16,000	Debtors	80,000
		Cash	12,000
	1,30,000		1,30,000

A and B share profits and losses in the ratio of 2 : 1. They agree to admit P into the firm subject to the following terms and conditions:

- P will bring in ₹ 21,000 of which ₹ 9,000 will be treated as his share of Goodwill to be retained in the business.
- P will be entitled to $\frac{1}{4}$ share of profits of the firm.
- 50% of the General Reserve is to remain as a provision for bad and doubtful debts.
- Furniture is to be depreciated by 5%.
- Stock is to be revalued at ₹ 10,500.

Prepare Revaluation Account, Capital Accounts and Opening Balance Sheet of the new firm.

39. The following was the Balance Sheet of Ajay, Vijay and Kamal as at 31st March, 2018:

Liabilities		₹	Assets		₹
Creditors		11,000	Land & Buildings		50,000
Bills Payable		6,000	Furniture		7,500
Capitals Accounts:			Stock		30,000
Ajay	40,000		Debtors		26,500
Vijay	33,500		Cash		1,500
Kamal	<u>25,000</u>	98,500			
		1,15,500			1,15,500

They share profits and losses in the ratio of 6 : 3. On 1st April, 2018 they agreed to admit Subodh into partnership and give him a share of 10 paise in a rupee on the following terms:

- i. That Subodh should bring in ₹ 14,000 as capital.
- ii. That stock be depreciated by 10% and furniture by ₹ 900.
- iii. That a reserve of ₹ 1,300 be made for outstanding repair bill.
- iv. That the value of Land and Buildings be brought up to ₹ 65,000.
- v. That the Goodwill of the firm be valued at ₹ 8,400.

Pass necessary journal entries to record the above arrangements and prepare the new Balance Sheet of the firm.

* Answer the following questions.

[44]

1. In a manufacturing unit the purchase department purchased 50 tonnes of raw material for production department. Although only 40 tonnes was needed by the production department. Due to this goods were overproduced and not accepted by sales department. As a result some goods remained unsold.(i) Which aspect of management is lacking above.(ii) Explain any two points of importance of that aspect.
2. Three groups of employees of Unique Enterprises are working at different levels. The first group is responsible for survival and growth of organisation with a view of coping with changes going on in the business environment. This group prefers to include the changes immediately in the plan.The second group explains the policies of superiors with the employees and try to develop the feeling of cooperation among all the departments.The third group is responsible for maintaining quality and safety standards and minimising wastages(i) Identify the levels of management described in above para.(ii) State any two functions of each level.
3. After every three months Mansi offers new scheme to its distributors and agents. She tries her best to bring changes keeping in mind the needs and wants of customers and incentives offered by competitors. This gives first mover advantage to Mansi and edge over the competitors.(i) Identify the characteristic of management followed by Mansi.(ii) Explain it briefly.
4. Directors of *ABC* Ltd. assigned the task of implementing the plans and policies framed by the board to all the departmental heads. Departmental heads appointed supervisors, superintendent, executives, etc. so that work can be assigned to workers as per the plan supervisors kept a check on workers as per the plan.1. Identify the feature of management highlighted in above para.2. Explain that feature.
5. Success of dabbawala (who carry tiffins to offices) of Mumbai is example of which aspect of management? Explain the importance of that aspect.
6. "Management is the life giving element in every business, without it the resources of production remain resources and shall never become production." Comment.
7. *ABC* Ltd. is facing a lot of problems these days. The company's profit margin is declining day by day. The production manager is blaming marketing management whereas marketing is blaming production department for not

maintaining the quality. Finance department is blaming both. What quality of manager do you think is lacking? Explain it briefly.

8. Hema is one of the most successful managers of her company, 'Kobe Ltd'. She uses her creativity and initiative in handling challenging situations at work. The knowledge gained by her during her student days at a renowned management institute as well as through her observation and experience over the years is applied by Hema in a skilful manner in the context of the realities of a given situation. She often reads books and other literature in various fields of management to keep her knowledge updated.(i) An aspect of the nature of management is being highlighted in the above description. Identify the aspect. (ii) Explain any three features of the aspect identified in part (i).
9. Rohan, Sohan and Mohan are three friends they work in same company. One day they were having a conversation. When Rohan said I have purchased two new machines and it has become very difficult to motivate workers at shop floor to use these machines.Sohan said I am facing problems in finding the exact number and types of employees for my department.Mohan said I have to decide the long term plans of organisation and I am responsible for the overall welfare of the organisation.(i) Identify different levels of management these friends belong to.(ii) Explain any two functions of each level.
10. Which principle of management insists "workers should be encouraged to develop and carry out their plans for development"? Explain that principle.
11. Purchase manager of ABC Ltd. gave order to supply raw material @ ₹ 1000 per quintal to his relative whereas same quality raw material is available @ ₹ 900 per quintal by another supplier. This is violation of which principle of management? Explain that principle.
12. Explain the technique of scientific management that is the extension of principle of division of work and specialisation.
13. Which technique of Taylor insists on hiring specialist for every job? Explain that technique.
14. Identify the techniques of Taylor which bring uniformity and standardisation in work.
15. Name the type of plan which serves as guide for overall business planning and defines the end result which organisation strives to achieve. Also give difference between this plan and policy.
16. A company is manufacturing garments. The manager wants to increase profits by purchasing new high speed machines or increasing the sale price or using waste materials in manufacturing stuffed toys. He decided that "using waste material" is the best solution for him.(a) Identify the concept of management

involved.(b) Mention the steps involved in the above process by quoting the lines from the question.

17. Procter and Gamble Ltd. is offering a free bucket on every purchase of Tide Washing Powder. In response to this Hindustan Unilever Ltd. started a new scheme of giving free one *kg* of Rin Washing Powder with every purchase of five *kg* of Rin Washing Powder. Identify the plan stated in the above paragraph and explain it.
18. KOHINOOR FOODS Ltd. has banned smoking in the factory premises.(a) Identify the plan stated in above lines.(b) State the features of this plan.(c) Differentiate between policy and this plan.
19. PK Ltd. has been well-known for delay in decision-making and overlapping of work done. Identify the management function lacking in the organisation and state the importance of this function.
20. Rahul, a worker is given a target of assembling two computers per day. Due to his habit of doing things differently, an idea struck him, which would not only reduce the assembling time of computer but also reduce the cost of production. But instead of appreciating his idea, his supervisor scolded him and asked him to complete the work as per the prescribed technique. Identify and describe the limitations of planning stated here.
21. A company gave its sales executives, the directives that they would sell goods on credit but told the employees to strictly inform the customer that if they will not make payment within one month they will have to pay an interest of 10% per annum. In the above given paragraph, two types of plans have been mentioned. Identify them and explain them with their features.
22. A company is manufacturing garments. The manager wants to increase the profit by:(a) Purchasing new high speed machine(b) Increasing the sale price(c) Using waste material in manufacturing stuff toysHe decided that using waste material to increase the profit is the best solution for him.(i) Identify the concept of management involved(ii) State any four features of that concept.

*** Choose The Right Answer From The Given Options.[1 Marks Each]**

[7]

23. When a superior does not fulfil the promise to raise the salary/wages of workers on achievement of target effectively and efficiency, it is violation of
(A) Principle of Renumeration (B) Principle of Discipline (C) both (a) and (b) (D) None of the above
24. The main objective of Fatigue Study is
(A) To eliminate tiring movements of workers (B) To decide number, duration (C) To differentiate productive and non-productive (D) All of the above

and frequency of
break intervals

movements of
workers

25. Organisation Interest supersede employees interest is indicated in
(A) Principle of Subordination of Individual Interest to General Interest (B) Principle of Espirit De Corps (C) Principle of Initiative (D) Principle of Discipline
26. Management Principles provide
(A) Readymade solution to managerial problems (B) Guidelines for managerial action (C) Guarantee for success of an organisation (D) All of the above
27. Planning is the
(A) Primary/First function of manager (B) Last function of manager (C) Both (a) and (b) (D) None of the above
28. Standardised way in which a task has to be performed is called
(A) Policy (B) Procedure (C) Strategy (D) Method
29. The plan which includes objective, policy, procedure and rule is called
(A) Strategy (B) Budget (C) Programme (D) All of the above

*** Given Section consists of questions of 3 marks each.**

[9]

30. Mr. Ajay after completing MBA from USA comes to India to start a new business under the banner Ecom Creations Ltd. He launches a new product in e-learning for Senior Secondary School students in Commerce stream, which already has an established market in UK and USA but not in India. His business starts flourishing in India. Now more Indian companies entered into the market with other subjects also. Identify and quote the lines from above para which highlight the significance of understanding business environment.
31. After completing her studies in product design, Sarita wishes to start her own business to design products to cater to the mobility and communication requirements of persons with special needs. She told her friend that she wanted to focus on supplying high-quality products at affordable prices. The Unique Selling Proposition (U.S.P) of the products would be sensitivity to the challenges and needs of the differently abled people. She wants to employ only differently abled persons in her factory and sales offices across the country. This decision of Sarita provides the base for interpreting her strategy. This also defines the broad parameters within which the company may recruit the persons. Sarita has also to decide about the exact manner and the chronological order of how the

selection of the differently abled applicants will be done. In the above lines, Sarita is discussing about one of the functions of management. This function has several types. Identify and explain the types Sarita is discussing in the above lines.

32. Rajeev, the owner of Pathways Constructions decided to start a campaign to create awareness among people for developing clean surroundings in their area. He formed a team of 10 members to list the different ways for cleaning the surroundings. One suggested to take the help of local residents, another suggested that they may involve school-going children in their venture. One more suggestion was to take the help of unemployed youth. On evaluation of different ways, it was decided to take the help of local residents. To achieve the desired goal various activities were identified like:(a) Purchase of necessary items like dustbins, garbage bags, brooms, etc.;(b) Collection of garbage;(c) Disposal of garbage, etc.After identification of different activities the work was allocated to different members.(i) Identify the concepts of management involved in the above situation and quote the lines which help in their identification.(ii) Also identify the values which the company wants to communicate to the society.

*** Given Section consists of questions of 4 marks each.**

[4]

33. The people of some regions translated the slogan of "Come Alive" used by Pepsi company as "Come out of the grave." As a result company lost its market share rather than picking up. This is the effect of which environment and how does this dimension of environment affect the business?

*** Given Section consists of questions of 6 marks each.**

[6]

34. "A good understanding of environment by business managers enables them not only to identify and evaluate but also to react to the forces external to their firm."In the light of the above statement explain any four points of importance of understanding business environment by a manager.

* a statement of Assertion (A) is followed by a statement of Reason (R).

[20]

Choose the correct option.

1. Assertion (A): Production of services for self-consumption is not included in national income.

Reason (R): Domestic Services are already included in the value of final goods. If they are included again, it will lead to double counting.

Alternatives:

- a) Both Assertion and Reason are true and Reason is the correct explanation of Assertion
- b) Both Assertion and Reason are true and Reason is not the correct explanation of Assertion
- c) Assertion (A) is True but Reason (R) is False
- d) Assertion (A) is False but Reason (R) is True

2. Assertion (A): Imputed value of owner-occupied lands are a part of both domestic income and national income.

Reason (R): Factors of production are bound to give their services regardless of the fact that it is giving its services to the owner or an outsider.

Alternatives:

- a) Both Assertion and Reason are true and Reason is the correct explanation of Assertion
- b) Both Assertion and Reason are true and Reason is not the correct explanation of Assertion
- c) Assertion (A) is True but Reason (R) is False
- d) Assertion (A) is False but Reason (R) is True

3. Assertion (A): All producer goods are capital goods.

Reason (R): Producer goods are those which are used in the production of other goods whereas capital goods are the fixed assets of the producers.

Alternatives:

- a) Both Assertion and Reason are true and Reason is the correct explanation of Assertion
- b) Both Assertion and Reason are true and Reason is not the correct explanation of Assertion
- c) Assertion (A) is False but Reason (R) is True
- d) Both of the statements are false

4. Assertion (A): GDP as an index of welfare may underestimate or overestimate the welfare.

Reason (R): It does not consider the non-monetary exchanges and does not take

into consideration the positive or negative aspects associated with economic activity.

Alternatives:

- a) Both Assertion and Reason are true and Reason is the correct explanation of Assertion
- b) Both Assertion and Reason are true and Reason is not the correct explanation of Assertion
- c) Assertion (A) is True but Reason (R) is False
- d) Assertion (A) is False but Reason (R) is True

5. Assertion (A): Interest paid by the government on public debt is not included in the interest income.

Reason (R): Interest paid on loans taken for consumption purposes is not included as factor income.

Alternatives:

- a) Both Assertion and Reason are true and Reason is the correct explanation of Assertion
- b) Both Assertion and Reason are true and Reason is not the correct explanation of Assertion
- c) Assertion (A) is True but Reason (R) is False
- d) Assertion (A) is False but Reason (R) is True

6. Assertion (A): High fixed investment is a sign of growth and development.

Reason (R): Fixed investment indicates the production capacity of a nation. Greater the addition to production capacity (fixed investment), higher the growth and development.

Alternatives:

- a) Both Assertion and Reason are true and Reason (R) is the correct explanation of Assertion (A)
- b) Both Assertion and Reason are true and Reason (R) is not the correct explanation of Assertion (A)
- c) Assertion (A) is False but Reason (R) is True
- d) Both of the statements are false

7. Assertion (A): Net Exports is a domestic concept.

Reason (R): Net Exports includes non-factor services.

Alternatives:

- a) Both Assertion and Reason are true and Reason (R) is the correct explanation of Assertion (A)
- b) Both Assertion and Reason are true and Reason (R) is not the correct explanation of Assertion (A)

c) Assertion (A) is True but Reason (R) is False

d) Assertion (A) is False but Reason (R) is True

8. Assertion (A): Expenditure on maintenance of machinery is an intermediate expenditure.

Reason (R): All expenditures on repair and maintenance incurred by the firm are treated as part of intermediate consumption.

Alternatives:

a) Both Assertion and Reason are true and Reason (R) is the correct explanation of Assertion (A)

b) Both Assertion and Reason are true and Reason (R) is not the correct explanation of Assertion (A)

c) Assertion (A) is False but Reason (R) is True

d) Both of the statements are false

9. Assertion (A): Operating Surplus does not arise in the general government sector.

Reason (R): General Government produces goods and services with the aim of earning profit without any intention of social welfare.

Alternatives:

a) Both Assertion and Reason are true and Reason (R) is the correct explanation of Assertion (A)

b) Both Assertion and Reason are true and Reason (R) is not the correct explanation of Assertion (A)

c) Assertion (A) is True but Reason (R) is False

d) Assertion (A) is False but Reason (R) is True

10. Assertion (A): Unexpected obsolescence is an element of depreciation.

Reason (R): Loss of value of fixed assets owing to unexpected obsolescence is called capital loss.

Alternatives:

a) Both Assertion and Reason are true and Reason (R) is the correct explanation of Assertion (A)

b) Both Assertion and Reason are true and Reason (R) is not the correct explanation of Assertion (A)

c) Assertion (A) is False but Reason (R) is True

d) Both of the statements are false

11. Assertion (A): Real flow and money flow are one or the same thing, presented in a different form.

Reason (R): In money flow, there is no involvement of goods in its physical form.

Alternatives:

a) Both Assertion and Reason are true and Reason (R) is the correct explanation of Assertion (A)

- b) Both Assertion and Reason are true and Reason (R) is not the correct explanation of Assertion (A)
- c) Assertion (A) is False but Reason (R) is True
- d) Both of the statements are false
12. Assertion (A): Savings are zero in the case of a two-sector economy.
Reason (R): Households spend the entire factor income received from firms on the consumption of goods and services.
Alternatives:
- a) Both Assertion and Reason are true and Reason (R) is the correct explanation of Assertion (A)
- b) Both Assertion and Reason are true and Reason (R) is not the correct explanation of Assertion (A)
- c) Assertion (A) is True but Reason (R) is False
- d) Assertion (A) is False but Reason (R) is True
13. Assertion (A): The stock variable does not have a time dimension.
Reason (R): The stock variable is measured over a period of time.
Alternatives:
- a) Both Assertion and Reason are true and Reason (R) is the correct explanation of Assertion (A)
- b) Both Assertion and Reason are true and Reason (R) is not the correct explanation of Assertion (A)
- c) Assertion (A) is True but Reason (R) is False
- d) Assertion (A) is False but Reason (R) is True
14. Assertion (A): Total production is equal to total consumption in the case of circular flow in a two-sector economy.
Reason (R): The household sector supplies factor services only to firms and the firm hire factor services only from households.
Alternatives:
- a) Both Assertion and Reason are true and Reason (R) is the correct explanation of Assertion (A)
- b) Both Assertion and Reason are true and Reason (R) is not the correct explanation of Assertion (A)
- c) Assertion (A) is True but Reason (R) is False
- d) Assertion (A) is False but Reason (R) is True
15. Assertion (A): Real Flow is also known as Nominal Flow.
Reason (R): Real Flow involves flow of goods and services between firms and households.
Alternatives:
- a) Both Assertion and Reason are true and Reason (R) is the correct explanation of Assertion (A)

- b) Both Assertion and Reason are true and Reason (R) is not the correct explanation of Assertion (A)
- c) Assertion (A) is True but Reason (R) is False
- d) Assertion (A) is False but Reason (R) is True
16. Assertion (A): Factor income is a Bilateral Income.
Reason (R): Factor income is earned for contributing to the production process.
Alternatives:
- a) Both Assertion and Reason are true and Reason (R) is the correct explanation of Assertion (A)
- b) Both Assertion and Reason are true and Reason (R) is not the correct explanation of Assertion (A)
- c) Assertion (A) is True but Reason (R) is False
- d) Assertion (A) is False but Reason (R) is True
17. Assertion (A): Intermediate goods have direct demand.
Reason (R): The demand for intermediate goods depends on the demand for final goods.
Alternatives:
- a) Both Assertion and Reason are true and Reason (R) is the correct explanation of Assertion (A)
- b) Both Assertion and Reason are true and Reason (R) is not the correct explanation of Assertion (A)
- c) Assertion (A) is True but Reason (R) is False
- d) Assertion (A) is False but Reason (R) is True
18. Assertion (A): Transfer Income is not included in the National Income.
Reason (R): Transfer Income is a unilateral (one-sided) concept.
Alternatives:
- a) Both Assertion and Reason are true and Reason (R) is the correct explanation of Assertion (A)
- b) Both Assertion and Reason are true and Reason (R) is not the correct explanation of Assertion (A)
- c) Assertion (A) is True but Reason (R) is False
- d) Assertion (A) is False but Reason (R) is True
19. Assertion (A): Subsidy is a transfer payment.
Reason (R): Subsidy contributes to current flow of goods and services.
Alternatives:
- a) Both Assertion and Reason are true and Reason (R) is the correct explanation of Assertion (A)
- b) Both Assertion and Reason are true and Reason (R) is not the correct explanation of Assertion (A)

- c) Assertion (A) is True but Reason (R) is False
- d) Assertion (A) is False but Reason (R) is True

20. Assertion (A): Depreciation is also termed as consumption of fixed capital
Reason (R): Depreciation refers to that value of fixed capital that is used up in the process of production.

Alternatives:

- a) Both Assertion and Reason are true and Reason (R) is the correct explanation of Assertion (A)
- b) Both Assertion and Reason are true and Reason (R) is not the correct explanation of Assertion (A)
- c) Assertion (A) is True but Reason (R) is False
- d) Assertion (A) is False but Reason (R) is True

*** Answer The Following Questions In One Sentence.[1 Marks Each]**

[13]

- 21. What is meant by depreciation of domestic currency?
- 22. Define 'depreciation'.
- 23. Give two example of intermediate goods.
- 24. Define flows.
- 25. Define consumption goods.
- 26. Define stock variable.
- 27. Define Gross Investment.
- 28. Define stocks.
- 29. Define flow variable.
- 30. Give two examples of macro - economic variables.
- 31. What are stock variables?
- 32. Define capital goods.
- 33. Give one example of "externality" which reduces welfare of the people.

*** Given Section consists of questions of 6 marks each.**

[84]

- 34. Explain that Domestic territory is bigger than the political frontiers of a country.
- 35. What is the difference between microeconomics and macroeconomics?
- 36. Explain the concept of Deflationary Gap and the role of 'Open Market Operations' in reducing this gap.
- 37. Explain the concept of Inflationary Gap. Explain the role of Repo Rate in reducing this gap.
- 38. Calculate the (a) Gross National Product at market price, and (b) Net National Disposable Income:

	₹ (in crores)
(i) Compensation of employees	2,500
(ii) Profit	700
(iii) Mixed income of self-employed	7,500
(iv) Government final consumption expenditure	3,000
(v) Rent	400
(vi) Interest	350
(vii) Net factor income from abroad	50
(viii) Net current transfers to abroad	100
(ix) Net indirect taxes	150
(x) Depreciation	70
(xi) Net exports	40

39. Calculate 'Net National Product at Market Price' and 'Gross National Disposable Income' from the following:

	(₹ in Arab)
(i) Closing stock	10
(ii) Consumption of fixed capital	40
(iii) Private final consumption expenditure	600
(iv) Exports	50
(v) Opening stock	20
(vi) Government final consumption expenditure	100
(vii) Imports	60
(viii) Net domestic fixed capital formation	80
(ix) Net current transfers to abroad	(-)10
(x) Net factor income to abroad	30

40. Calculate National Income and Personal Disposable Income:

	(₹ crores)
(i) Corporation tax	100
(ii) Private final consumption expenditure	900
(iii) Personal Income tax	120
(iv) Government final consumption expenditure	200
(v) Undistributed profits	50
(vi) Change in stocks	(-)20
(vii) Net domestic fixed capital formation	120
(viii) Net imports	10
(ix) Net indirect tax	150
(x) Net factor income from abroad	(-)10
(xi) Private income	1000

41. Calculate the (a) Net National Product at market price, and (b) Gross National Disposable Income:

	₹ (in crores)
(i) Mixed income of self-employed	8,000
(ii) Depreciation	200
(iii) Profit	1,000
(iv) Rent	600
(v) Interest	700
(vi) Compensation of employees	3,000
(vii) Net indirect taxes	500
(viii) Net factor income to abroad	60
(ix) Net exports	(-) 50
(x) Net current transfers to abroad	20

42. Calculate 'Net National Product at Market Price' and 'Personal Income':

	(₹ crore)
(i) Transfer payments by government	7
(ii) Government final consumption expenditure	50
(iii) Net imports	(-)10
(iv) Net domestic fixed capital formation	60
(v) Private final consumption expenditure	300
(vi) Private income	280
(vii) Net factor income to abroad	(-)5
(viii) Closing stock	8
(ix) Opening stock	8
(x) Depreciation	12
(xi) Corporate tax	60
(xii) Retained earnings of corporations	20

43. Calculate 'National Income' and 'Net National Disposable Income' from the following:

	(₹ in Arab)
(i) Net change in stocks	50
(ii) Government final consumption expenditure	100
(iii) Net current transfers to abroad	30
(iv) Gross domestic fixed capital formation	200
(v) Private final consumption expenditure	500
(vi) Net imports	40
(vii) Depreciation	70
(viii) Net factor income to abroad	(-)10
(ix) Net indirect tax	120
(x) Net capital transfers to abroad	25

44. Giving reason explain how the following should be treated in estimation of national income:

- i. Payment of interest by a firm to a bank.
- ii. Payment of interest by a bank to an individual.
- iii. Payment of interest by an individual to a bank.

45. How should the following be treated in estimating national income of a country? You must give reason for your answer.

- i. Taking care of aged parents.
- ii. Payment of corporate tax.
- iii. Expenditure on providing police services by the government.

46. Find net national product at market price and personal disposable income:

	(Rs. crores)
(i) Personal taxes	200
(ii) Wage and salaries	1200
(iii) Undistributed profit	50
(iv) Rent	300
(v) Corporation tax	200
(vi) Private income	2000
(vii) Interest	400
(viii) Net indirect tax	300
(ix) Net factor income to abroad	20
(x) Profit	500
(xi) Social security contributions by employers	250

47. Calculate 'Net Domestic Product at Market Price' and 'Gross National Disposable Income':

	(₹ crore)
(i) Private final consumption expenditure	400
(ii) Opening stock	10
(iii) Consumption of fixed capital	25
(iv) Imports	15
(v) Government final consumption expenditure	90
(vi) Net current transfers to rest of the world	5
(vii) Gross domestic fixed capital formation	80
(viii) Closing stock	20
(ix) Exports	10
(x) Net factor income to abroad	(-5)

MANDATORY

All students are required to create a professional LinkedIn profile during the summer break. Students must complete their profile, upload all certificates, achievements and awards received till date, and connect with teachers, alumni, professionals, relatives and other known individuals.

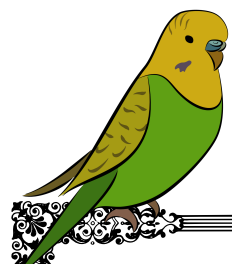
The profile should be regularly updated and its link must be submitted to the school after reopening.

This task is important for higher education opportunities, internships and future career development. Kindly take it seriously and complete it within the given time.



MOST IMPORTANT:

- Do a good social activity per week, click pictures. Paste and write about it in the scrapbook.
- Plant a sapling on “World Environment Day” (5 June). Click a picture with it and write a paragraph on world environment day. Paste it in the scrapbook.
- 90% of the homework is offline. Please don't use mobile phones.



For any query, please connect Mr. Saurabh Thakur between 11:00 am to 12:00 noon on 6396735683.