CBSE EXAMINATION PAPER-2025

ACCOUNTANCY

(Solved)

Time allowed : 3 hours | Maximum Marks : 109

General Instructions :

Read the following instructions carefully and follow them :

i. This question paper contains **46 questions.** All questions are **compulsory.**

ii. This question paper is divided into **4 sections.**

iii. **Section A** – questions number **1 to 27** are multiple choice questions

iv. **Section B** – questions number **28 to 35** are short answer

v. **Section C** – questions number **36 to 39** are long answer type i

vi. **Section D** – questions number **40 to 46** are long answer type ii

vii. There is no overall choice given in the question paper. However, an internal choice has been provided in few questions.

viii. Use of calculator is NOT allowed.

Section A

Question 1.

Mathur, Jain and Verma were partners in a firm sharing profits and losses in the ratio of 3 : 2 : 1. Jain was guaranteed that his share of profit will not be less than ₹ 80,000. The firm's profit for the year ended 31st March, 2024 was ₹ 1,80,000. The amount of deficiency borne by Verma was :

[1 Marks]

(A) ₹ 20,000

(B) ₹ 15,000

(C) ₹ 5,000

(D) Nil

Question 2.

On the dissolution of the partnership firm of Gauri and Gaurav, Building appeared in the books at ₹ 21,00,000. One-third of the Building was taken by Gaurav at 20% discount and the remaining was sold at 10% profit. The value at which the Building was taken over by Gaurav was :

[1 Marks]

(A) ₹ 5,60,000

(B) ₹ 21,00,000

(C) ₹ 15,40,000

(D) ₹ 7,00,000

Question 3. Ranjeet and Ranvijay started a partnership firm on 1st April, 2023. According to the partnership deed, interest on drawings was to be charged @ 10% per annum. Ranjeet withdrew a fixed amount at the end of each month. The total yearly interest on Ranjeet's drawings was ₹ 6,600. The amount of Ranjeet's drawings for the year ended 31st March, 2024 was

[1 Marks]

(A) ₹ 1,32,000

(B) ₹ 1,44,000

(C) ₹ 1,20,000

(D) ₹ 1,21,846

Question 4.

Rima, Seema and Atul were partners in a firm sharing profits and losses in the ratio of 4 : 3 : 1. With effect from 1st April, 2024, they decided to share profits and losses in the ratio of 3 : 1 : 4. Due to change in the profit sharing ratio, Seema's gain or sacrifice will be

[1 Marks]

(A) Gain 2 / 8

(B) Sacrifice 2 / 8

(C) Sacrifice 1 / 8

(D) Gain 3/ 8

Question 5. Rohan, Piyush and Suman were partners in a firm sharing profits and losses in the ratio of 3 : 2 : 2. Piyush retired. The new profit sharing ratio between Rohan and Suman after Piyush's retirement was 4 : 3. The gaining ratio of remaining partners will be :

[1 Marks]

(A) 2 : 1

(B) 4 : 3

(C) 1:1

(D) 3 : 2

Question 6.

Pawan Ltd. forfeited 1,000 equity shares of ₹ 10 per share for non-payment of first call of ₹ 2 per share. The final call of ₹ 2 per share was yet to be made. The maximum amount of discount at which these shares can be reissued will be :

[1 Marks]

(A) ₹ 6,000

(B) ₹ 4,000

(C) ₹ 2,000

(D) ₹ 8,000

Question 7.

The debentures which are payable on the expiry of a specified period either in lump sum or in instalments during the lifetime of the company are known as _____ debentures.

[1 Marks]

(A) Redeemable

(B) Convertible

(C) Specific coupon rate

(D) Secured

Question 8. Precious Ltd. issued 40,000 10% Debentures of ₹ 100 each at a premium of 5%, redeemable at a premium of 10%. 'Loss on Issue of Debenture Account' will be debited in the books

of Precious Ltd. by :

[1 Marks]

(A) ₹ 5,60,000

(B) ₹ 6,00,000

(C) ₹ 2,40,000

(D) ₹ 4,00,000

Question 9.

P and Q are partners in a firm sharing profits and losses equally. They admitted R into the partnership firm on 1st April, 2024. It was decided to value goodwill at 2 years' purchase of super profits. The capital of the firm of P and Q was ₹ 5,00,000 and the normal rate of return on capital employed was 10%. During the year ended 31st March, 2024, the profit of the firm was ₹ 2,10,000. The value of goodwill of the firm was :

[1 Marks]

(A) ₹ 3,20,000

(B) ₹ 1,10,000

(C) ₹ 2,50,000

(D) ₹ 1,40,000

Question 10.

Ali and Bani were partners in a firm. They admitted Chaman as a new partner with 1 / 4 th share in the profits of the firm. Chaman brought ₹ 5,00,000 as his share of capital. The value of assets of the firm on Chaman's admission was ₹ 20,00,000 and outside liabilities were ₹ 12,00,000. The goodwill of the firm on Chaman's admission was :

[1 Marks]

(A) ₹ 13,00,000

(B) ₹ 20,00,000

(C) ₹ 7,00,000

(D) ₹ 8,00,000

Question 11. Mohit and Rohit were partners in a firm sharing profits and losses in the ratio of 3 : 2. On 1st April, 2024, they admitted Radha for 1 / 5 th share in the profits of the firm. Before Radha's

admission, the Balance Sheet of Mohit and Rohit showed furniture at ₹ 6,30,000. On admission of Radha, it was found undervalued by 10%. The journal entry for the above adjustment on Radha's admission will be :

[1 Marks]

Journal

	Particulars	Account No.	Dr. Amount (₹)	Cr. Amount (₹)
(A)	Revaluation A/c Dr. To Furniture A/c		63,000	 63,000
(B)	Furniture A/c Dr. To Revaluation A/c		70,000	 70,000
(C)	Revaluation A/c Dr. To Furniture A/c		70,000	 70,000
(D)	Furniture A/c Dr. To Revaluation A/c		63,000	 63,000

(A) A

(B) B

(C) C

(D) D

Question 12. Which of the following statements is true for 'Reserve Capital' ?

[1 Marks]

(A) It is the portion of the uncalled capital to be called only in the event of winding up of the company.

(B) It is that portion of the called up capital which has been actually received from the shareholders.

(C) It is that part of the authorised capital that is actually issued to the public for subscription.

(D) It is a part of the subscribed capital which has been called up to subscribe.

Question 13.

On 1st April, 2023, Saya Ltd. issued 7,000, 9% debentures of ₹ 100 each at a premium of 10%. The total amount of interest on debentures for the year ending 31st March, 2024 will be :

[1 Marks]

(A) ₹ 35,000

(B) ₹ 70,000

(C) ₹ 63,000

(D) ₹ 90,000

Question 14. There are two statements, Assertion (A) and Reason (R). Assertion (A) : Under the fluctuating capital method, only one account, i.e., capital account is maintained for each partner. Reason (R) : All the adjustments such as share of profit and loss, interest on capital, drawings, interest on drawings, salary or commission to partners, etc. are recorded directly in the capital accounts of the partners Choose the correct alternative from the following :

[1 Marks]

(A) Assertion (A) is incorrect, but Reason (R) is correct.

(B) Both Assertion (A) and Reason (R) are correct and Reason (R) is the correct explanation of Assertion (A).

(C) Both Assertion (A) and Reason (R) are correct, but Reason (R) is not the correct explanation of Assertion (A).

(D) Assertion (A) is correct, but Reason (R) is incorrect.

Question 15. Kamal, Vimal and Nirmal are partners in a firm sharing profits and losses in the ratio of 5 : 3 : 2. Their fixed capitals were ₹ 3,00,000, ₹ 2,00,000 and ₹ 1,00,000 respectively. Interest on capital was credited to them @ 10% p.a. instead of 8% p.a. The Adjustment Entry to rectify the error will be

[1 Marks]

	Particulars	Dr. Amount (₹)	Cr. Amount (₹)
(A)	Kamal's Current A/c Dr. To Vimal's Current A/c To Nirmal's Current A/c	400	 200 200
(B)	Kamal's Current A/c Dr. To Nirmal's Current A/c	400	 400
(C)	Vimal's Current A/c Dr. To Nirmal's Current A/c	400	 400
(D)	Vimal's Current A/c Dr. Nirmal's Current A/c Dr. To Kamal's Current A/c	200 200	 400

(A) A

(B) D

(C) C

(D) B

Question 16. A, B and C were partners in a firm sharing profits and losses in the ratio of 3 : 2 : 1. On 1st April, 2024, D was admitted as a partner in the firm. The new profit sharing ratio was 2 : 2 : 1 : 1. The sacrificed share of A was :

[1 Marks]

(A) 1 / 6th

(B) Nil

(C) 2 / 6 th

(D) 3 / 6th

Question 17.

Anya and Sanya were partners in a firm sharing profits and losses in the ratio of 5 : 2. They admitted Vanya as a new partner for 3 / 7 th share in the profits of the firm. She acquired 2 / 7 th share from Anya and 1 / 7 th share from Sanya. The new profit sharing ratio of Anya, Sanya and Vanya will be :

[1 Marks]

(A) 5 : 2 : 1

(B) 3 : 1 : 3

(C) 1 : 3 : 3

(D) 5 : 2 : 3

Question 18.

Manav and Adi were partners in a firm sharing profits and losses in the ratio of 5 : 3. Roy was admitted with 1 / 5 th share in the profits of the firm. At the time of Roy's admission, Workmen's Compensation Reserve appeared in the Balance Sheet of the firm at ₹ 4,00,000. The claim on account of workmen's compensation was determined at ₹ 4,40,000. The excess amount of claim over the reserve will be debited to :

[1 Marks]

(A) Roy's Capital Account

(B) Bank Account

(C) Realisation Account

(D) Revaluation Account

Question 19.

Sonia and Monu are partners in a firm. On 1st December, 2023, Monu advanced a loan of ₹ 3,00,000 to the firm. There is no partnership deed. On 31st March, 2024, Monu was entitled to get interest on loan amounting to :

[1 Marks]

(A) ₹ 4,500

(B) Nil

(C) ₹ 18,000

(D) ₹ 6,000

Question 20. At the time of forfeiture of shares, Share Capital Account will be debited with :

[1 Marks]

(A) Unpaid amount on forfeited shares

(B) Face value of shares forfeited

(C) Called up amount on forfeited shares

(D) Paid up amount on forfeited shares

Question 21. Parachita Ltd. invited applications for issuing 80,000 equity shares of ₹ 100 each at par. The amount was payable as under : On Application — ₹ 30 per share On Allotment — ₹ 20 per share On first and final call — Balance amount Applications were received for 2,00,000 equity shares. Allotment was made to all applicants on pro-rata basis. The amount received at the time of allotment was :

[1 Marks]

(A) ₹ 16,00,000

(B) Nil

(C) ₹ 24,00,000

(D) ₹ 40,00,000

Question 22.

Statement I : Purchase of goodwill is classified as investing activity in case of all types of enterprises.
Statement II :Payment of interest is classified as financing activity in case of all types of enterprises.
Choose the correct option from the following :

[1 Marks]

(A) Statement I is false and statement II is true.

(B) Statement I is true and statement II is false.

(C) Both statement I and statement II are true

(D) Both statement I and statement II are false.

Question 23. From the following, identify the incorrect statement related to 'Analysis of Financial Statements'.

[1 Marks]

(A) Financial statement analysis does not take price level changes into consideration.

(B) Financial statement analysis is used only by the creditors

(C) Financial statement analysis helps to identify the reasons for change in profitability and financial position of the firm.

(D) Financial statement analysis ignores non-monetary aspects.

Question 24. Choose the correct equation with respect to capital employed from the following :

[1 Marks]

(A) Capital Employed = Shareholders' funds − Non-current Liabilities

(B) Capital Employed = Non-current assets + Net working capital

(C) Capital Employed = Non-current assets − Net working capital

(D) Capital Employed = Share capital + Reserves and Surplus + Current Liabilities

Question 25.

Manish Ltd. had balance in Provision for Taxation Account of ₹ 9,00,000 and ₹ 12,00,000 as on 31st March, 2023 and 2024 respectively. Provision for tax made during the year was ₹ 6,00,000. The amount of tax paid during the year was :

[1 Marks]

(A) ₹ 6,00,000

(B) ₹ 12,00,000

(C) ₹ 3,00,000

(D) ₹ 9,00,000

Question 26.

Acquisition of machinery by issue of equity shares of ₹ 30,00,000 will result in :

[1 Marks]

(A) No flow of cash

(B) Cash outflow from investing activities ₹ 30,00,000

(C) Cash inflow from investing activities ₹ 30,00,000

(D) Cash outflow from financing activities ₹ 30,00,000

Question 27. _____ will decrease Debt-Equity Ratio and will not change Current Ratio

[1 Marks]

(A) Issue of equity shares for cash

(B) Issue of shares for purchase of land and building

(C) Redemption of debentures

(D) Issue of preference shares for cash

Section B

Question 28.

Pass necessary journal entries for the following transactions in the books of Aman, Anil and Anant at the time of dissolution of the firm after various assets (other than cash) and external liabilities have been transferred to Realisation Account :

(i) The firm had a balance of ₹ 2,40,000 in General Reserve on the date of dissolution

(ii) Realisation expenses ₹ 16,000 were paid by the partner, Anant.

(iii) Aman had given a loan of ₹ 70,000 to the firm which was fully settled at ₹ 68,000.

[3 Marks]

Question 29.

Aman Ltd. took over the assets of ₹ 15,00,000 and liabilities of ₹ 17,00,000 of Kamini Ltd. for a purchase consideration of ₹ 30,00,000. Aman Ltd. paid 40% of the purchase consideration by cheque and the balance amount by issue of fully paid equity shares of ₹ 100 each at a premium of 50% in

favour of Kamini Ltd. Pass necessary journal entries for the above transactions in the books of Aman Ltd.

[3 Marks]

Question 30.

Astha Ltd. took over assets of ₹ 20,00,000 and took over liabilities of ₹ 1,00,000 of Nabha Ltd. for a purchase consideration of ₹ 18,00,000. Astha Ltd. paid half of the amount of purchase consideration through a bank draft and the balance amount was settled by issuing 12% Debentures of ₹ 100 each at a discount of 10% in favour of Nabha Ltd.

Pass necessary journal entries for the above transactions in the books of Astha Ltd.

[3 Marks]

Question 31.

Lalit, Madhur and Neel were partners in a firm sharing profits and losses in the ratio of 2 : 2 : 1. Neel retired and his capital after making the necessary adjustments on account of reserves and revaluation of assets and liabilities was ₹ 10,00,000. Lalit and Madhur agreed to pay Neel ₹ 22,00,000 in full settlement of his claim.

Pass necessary journal entries for the treatment of goodwill and making final payment to Neel.

[3 Marks]

Question 32.

From the following information, calculate the value of goodwill of the firm :

(i) On the basis of capitalisation of super profits, and

(ii) On the basis of capitalisation of average profits

Average profit for the last four years − ₹ 20,00,000

Capital Employed − ₹ 25,00,000

Normal Rate of Return − 20%

Net Assets of the business − ₹ 25,00,000

[3 Marks]

Question 33.

A, B and C were partners in a firm sharing profits and losses in the ratio of 2 : 3 : 1. Goodwill appeared in their books at ₹ 3,00,000. B retired from the firm on 1st April, 2024. On that date, the

goodwill of the firm was valued at ₹ 5,40,000.

Pass the necessary Journal entries in the books of the firm for the treatment of goodwill on B's retirement.

[3 Marks]

Question 34.

Name the major heads and sub heads (if any) under which the following items will be shown in the Balance Sheet of a company as per Schedule III, Part I of the Companies Act, 2013 :

(i) Public Deposits

(ii) Trademarks

(iii) Stores and Spare Parts

[3 Marks]

Question 35.

From the following information, prepare a Comparative Statement of Profit and Loss for the year ended 31st March, 2023 and 2024 :

[3 Marks]

Particulars	Note No.	2023 – 24 (₹)	2022 – 23 (₹)
Revenue from operations		40,00,000	20,00,000
Employee benefit expenses		10,00,000	5,00,000
Other expenses		20,00,000	10,00,000
Tax rate 40%			

Section C

Question 36.

Pass necessary journal entries for the issue of 9% Debentures in the books of Beeta Ltd. in the following cases :

(i) Issued 4,000, 9% Debentures of ₹ 100 each at a discount of 5%, redeemable at a premium of 10%.

(ii) Issued 6,000, 9% Debentures of ₹ 100 each at a premium of 10%, redeemable at a premium of 5%.

[4 Marks]

Question 37.

A, B and C were partners in a firm sharing profits and losses in the ratio of 2 : 2 : 1. Their Balance Sheet as at 31st March, 2024 stood as follows :

C died on 30th June, 2024. As per the partnership agreement, the executors of C were entitled to :

(i) Amount standing to the credit of his Capital Account

(ii) Interest on capital which amounted to ₹ 6,000.

(iii) His share of goodwill which was ₹ 30,000

(iv) His share of profit from the date of the last Balance Sheet up to the date of death which amounted to ₹ 18,000.

(v) C's executors were paid half the amount due immediately and the balance was to be paid in two equal yearly instalments along with interest @ 6% p.a

Pass the necessary journal entries for the above transactions on C's death.

[4 Marks]

Balance Sheet of A, B and C as at 31st March, 2024

Liabilities		Amount (₹)	Assets	Amount (₹)
Creditors		80,000	Cash in hand	1,10,000
Bills Payable		50,000	Cash at Bank	60,000
General Reserve		20,000	Debtors	50,000
Capitals :			Stock	60,000
A	2,80,000		Investments	80,000
B	1,20,000		Building	2,90,000
C	1,00,000	5,00,000		
		6,50,000		6,50,000

Question 38.

Calculate Current Assets and Quick Assets of a company from the following information:

Quick Ratio = 0·70 : 1

Inventory Turnover Ratio = 5 times

Inventory at the end was ₹ 20,000 more than inventory in the beginning

Gross Profit = ₹ 75,000

Current Liabilities = ₹ 80,000

Revenue from Operations = ₹ 4,00,000

[4 Marks]

Question 39.

Calculate 'Return on Investment' from the following information :

Net profit after interest and tax ₹ 6,00,000

10% Debentures ₹ 20,00,000

Capital employed ₹ 50,00,000

Tax rate 40%

[4 Marks]

Section D

Question 40.

Sia, Manav and Ajay were partners in a firm sharing profits and losses in the ratio of 2 : 2 : 1. On 31st March, 2024, their Balance Sheet was as follows :

On 31st March, 2024, Manav retired from the firm and the remaining partners decided to carry on the business. The assets and liabilities were revalued which resulted into a gain of ₹ 1,20,000 because of the increase in the value of Land and Building by the same amount.

(i) 40% of Land and Building were taken by retiring partner at revalued value.

(ii) Goodwill of the firm be valued at ₹ 4,00,000. Sia and Ajay decided to share future profits and losses in the ratio of 3 : 2

(iii) The total capital of the new firm will be ₹ 20,00,000 which will be in proportion of the new profit sharing ratio of Sia and Ajay. For this, necessary cash was brought in or was paid off to the partners, as the case may be.

Prepare Partners' Capital Accounts.

[6 Marks]

Balance Sheet of Sia, Manav and Ajay as at 31st March, 2024

Liabilities		Amount (₹)	Assets	Amount (₹)
Creditors		4,00,000	Land and Building	8,50,000
Bank Overdraft		3,00,000	Machinery	6,00,000
Capitals :			Investments	2,00,000
Sia	9,00,000		Stock	6,00,000
Manav	8,00,000		Debtors	3,00,000
Ajay	2,00,000	19,00,000	Bank	1,00,000
Employee's Provident Fund		2,00,000	Profit and Loss Account	1,50,000
		28,00,000		28,00,000

Question 41.

Karan and Arjun were partners in a firm sharing profits and losses in the ratio of 3 : 2. On 31st March, 2024, their Balance Sheet was as follows :

On 1st April, 2024, Nakul was admitted into the partnership for 1 / 4 th share in the profits of the firm on the following terms

(i) Nakul brought ₹ 4,00,000 as his capital and his share of goodwill premium in cash. Goodwill of the firm was valued at ₹ 2,00,000

(ii) Furniture was valued at ₹ 2,50,000.

(iii) A provision for doubtful debts @ 10% is to be maintained on debtors.

(iv) The liability against Workmen's Compensation Fund was estimated at ₹ 1,20,000.

(v) After the above adjustments, the capitals of Karan and Arjun were to be adjusted taking Nakul's capital as the base. Excess or shortage in the capital accounts of Karan and Arjun was to be adjusted by opening current accounts.

Prepare Revaluation Account and Partners' Capital Accounts.

[6 Marks]

Balance Sheet of Karan and Arjun as at 31st March, 2024

Liabilities		Amount (₹)	Assets		Amount (₹)
Capitals :			Machinery		4,00,000
Karan	5,00,000		Furniture		2,00,000
Arjun	5,00,000	10,00,000			
General Reserve		1,50,000	Debtors	4,00,000	
Workmen's Compensation Fund		1,50,000	Less : Provision for Doubtful Debts	50,000	3,50,000
			Stock		1,50,000
			Cash		2,00,000
		13,00,000			13,00,000

Question 42.

Nisha Ltd. was registered with a capital of ₹ 6,00,000 in shares of ₹ 100 each. It issued 4,000 shares. The amount was payable as follows :

On Application — ₹ 30 per share

On Allotment — ₹ 30 per share

On First and Final Call — Balance

The issue was fully subscribed and all amounts payable on application and allotment were duly received. Amit, a shareholder, failed to pay first and final call of ₹ 40 per share on his 200 shares.

Answer the following questions :

(i) The Authorised capital of Nisha Ltd. shown in 'Notes to Accounts' will be :

(A) ₹ 6,00,000

(B) ₹ 4,00,000

(C) ₹ 6,00,00,000

(D) ₹ 3,60,000

(ii) The Issued capital of Nisha Ltd. shown in 'Notes to Accounts' will be :

(A) ₹ 3,60,000

(B) ₹ 6,00,000

(C) ₹ 4,00,000

(D) ₹ 3,92,000

(iii) ‘Subscribed and not fully paid up capital’ shown in ‘Notes to Accounts’ will be : (

A) ₹ 3,92,000

(B) ₹ 20,000

(C) ₹ 3,80,000

(D) ₹ 12,000

(iv) ‘Subscribed and fully paid capital’ of Nisha Ltd. shown in ‘Notes to Accounts’ will be :

(A) ₹ 20,000

(B) ₹ 3,80,000

(C) ₹ 12,000

(D) ₹ 3,92,000

(v) Calls in arrears of Nisha Ltd. will be :

(A) ₹ 12,000

(B) ₹ 20,000

(C) ₹ 8,000

(D) Nil

(vi) The amount of ‘Share Capital’ shown under ‘Shareholders’ Funds’ in the Balance Sheet of Nisha Ltd. will be :

(A) ₹ 3,92,000

(B) ₹ 3,80,000

(C) ₹ 4,00,000

(D) ₹ 6,00,000

[6 Marks]

Question 43.

X and Y were partners in a firm sharing profits and losses in the ratio of 2 : 3. They agreed to dissolve the firm on 31st March, 2024. The Balance Sheet of the firm as on that date was as follows :

The following transactions took place at the time of dissolution :

(i) Building and Machinery realised ₹ 4,00,000 and ₹ 5,00,000 respectively.

(ii) X agreed to pay loan of Mrs. X and he took Furniture at ₹ 80,000.

(iii) Debtors realised ₹ 1,40,000

(iv) Firm had to pay ₹ 10,000 for Outstanding Salary which were not provided earlier.

(v) Bills Payable were paid in full

(vi) The expenses of dissolution amounted to ₹ 10,000.

Prepare Realisation Account.

[6 Marks]

Balance Sheet of X and Y as at 31st March, 2024

Liabilities		Amount (₹)	Assets		Amount (₹)
Bills Payable		50,000	Cash in hand		1,00,000
Loan by Y		2,00,000	Cash at Bank		2,00,000
General Reserve		1,00,000	Sundry Debtors	2,00,000	
Profit and Loss A/c		4,00,000	Less : Provision for Doubtful Debts	50,000	1,50,000
Loan by Mrs. X		1,00,000	Building		4,50,000
Capitals :			Machinery		5,00,000
X	5,00,000		Furniture		1,00,000
Y	5,00,000	10,00,000	Goodwill		3,50,000
		18,50,000			18,50,000

Question 44.

Hira Ltd. invited applications for issuing 1,00,000 equity shares of ₹ 10 each at 10% premium. The amount was payable as follows :

On Application — ₹ 3 per share

On Allotment — ₹ 3 per share (including premium)

On first and final call — Balance amount

Applications were received for 1,40,000 shares and shares were allotted on a pro-rata basis to all the applicants. The excess money received on application was adjusted towards sums due on allotment. All the shareholders paid the allotment money due except one shareholder who was allotted 1,000 shares. These shares were forfeited immediately. All these shares were reissued to Shashi as ₹ 5 paid up for ₹ 4 per share. First and final call has not been made

Pass necessary journal entries in the books of Hira Ltd. Open Calls-in-Arrears Account wherever required.

[6 Marks]

Question 45.

Pass necessary journal entries for forfeiture and reissue of shares in the following cases :

(i) Krisha Ltd. forfeited 1,000 shares of ₹ 10 each, fully called-up on which only ₹ 4,000 had been received. 500 of the forfeited shares were reissued for ₹ 8 per share fully paid-up.

(ii) XYZ Ltd. forfeited 20,000 shares of ₹ 10 each issued at a premium of ₹ 1 per share, for non-payment of second and final call of ₹ 2 per share. 70% of these shares were reissued at ₹ 7 per share fully paid-up.

[6 Marks]

Question 46.

Calculate Cash Flows from Operating and Investing Activities on the basis of the information given in the Balance Sheet of Pari Ltd. as at 31st March, 2024.

[6 Marks]

Balance Sheet of Pari Ltd. as at 31st March, 2024

Particulars	Note No.	31.03.2024 (₹)	31.03.2023 (₹)
I – Equity and Liabilities :			
1. Shareholders' Funds			
(a) Share Capital		10,00,000	5,00,000
(b) Reserves and Surplus	1	5,00,000	3,00,000
2. Non-Current Liabilities			
Long-term Borrowings	2	4,00,000	4,00,000
3. Current Liabilities			
(a) Short-term Borrowings	3	–	1,00,000
(b) Short-term Provisions	4	1,00,000	50,000
Total		20,00,000	13,50,000

Particulars	Note No.	31.03.2024 (₹)	31.03.2023 (₹)
II – Assets			
1. Non-Current Assets			
(a) Property, Plant and Equipment and Intangible Assets		7,00,000	3,00,000
(b) Non-Current Investments		4,00,000	1,00,000
2. Current Assets			
(a) Inventories		2,00,000	2,50,000
(b) Trade Receivables		3,00,000	4,00,000
(c) Cash and Cash Equivalents		4,00,000	3,00,000
Total		20,00,000	13,50,000

Notes to Accounts :

Note No.	Particulars	31.03.2024 (₹)	31.03.2023 (₹)
1.	Reserves and Surplus		
	General Reserve	2,00,000	1,50,000
	Surplus i.e. Balance in Statement of Profit and Loss	3,00,000	1,50,000
		5,00,000	3,00,000
2.	Long-term Borrowings		
	10% Debentures	4,00,000	4,00,000
3.	Short-term Borrowings		
	Bank Overdraft	–	1,00,000
4.	Short-term Provisions		
	Provision for Taxation	1,00,000	50,000