HALF YEARLY EXAMINATION - DECEMBER – 2024 - ANSWER KEY

XII STANDARD – ACCOUNTANCY – ENGLISH MEDIUM

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PRINCIPAL
MYDEEN MATRIC. HR.SEC. SCHOOL
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Time Allowed : 3 Hours

Maximum Marks : 90

I. Choose the most suitable from the given four alternatives and write the option code and the corresponding answer **20 x 1 = 20**

1	C	Capital	11	A	Capital Account of all the Partners
2	B	Capital at the end of the year	12	B	Rs.3,000
3	D	Capital Receipt	13	C	Both (i) and (ii) are correct
4	D	Cash and Bank balance as on the date	14	B	In case of under subscription, issued capital will be less than the subscribed capital
5	D	Rs.500	15	B	As on a particular date
6	C	Partners' Salary	16	C	25
7	C	Average Profit and Normal Profit	17	B	Ratio
8	C	Goodwill under Annuity Method = Average Profit x Present value annuity factor	18	C	Fixed assets turnover ratio - Percentage
9	A	The Old Partners	19	C	Ctrl + Q
10	C	Goodwill brought by new partner	20	A	Company Features

II. Answer any seven questions. Question No.30 is compulsory. **7 x 2 = 14**

21) **Calculation of Profit or Loss on 31st December, 2018**

Particulars	Rs.
Closing capital (as on 31.12.2018)	1,80,000
Add: Drawings during the year	50,000
	2,30,000
Less: Additional capital introduced during the year	40,000
Adjusted closing capital	1,90,000
Less: Opening capital (as on 1.1.2018)	2,20,000
Loss for the year ending 31.12.2018 (B/F)	(-) 30,000

22) **In the books of Thoothukudi Young Poineers Association**

Dr. **Income and Expenditure Account** **Cr.**

Expenditure	Rs.	Income	Rs.	Rs.
		By Subscription	2,250	
		Add: Outstanding subscription	250	**2,500**

Balance sheet as on 31st March, 2019

Liabilities	Rs.	Assets	Rs.	Rs.
Subscription received in advance	100	Outstanding subscription		250

23) **Calculation of Goodwill:**

Goodwill = **Average profit × Number of years of purchase**

Average profit = $\dfrac{\textbf{Total profit}}{\textbf{Number of years purchase}}$

$= \dfrac{5{,}000 + 8{,}000 - 3{,}000 + 6{,}000}{4}$

$= \dfrac{16{,}000}{4}$ = **Rs.4,000**

Goodwill = **Average profit × Number of years of purchase**

= 4,000 × 3 = **Rs. 12,000**

24) **Journal Entry**

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
2018 January 1	Anjali's capital A/c Dr. Nithya's capital A/c Dr. To Profit and loss a/c (Accumulated loss transferred to old partners' capital account in the old profit sharing ratio)		25,000 15,000	 40,000

25) As the new profit sharing ratio and gain made by the continuing partners is not mentioned, it is assumed that they gain in their old profit sharing ratio of 2:1. Therefore, gaining ratio is 2:1.

Suresh's share of goodwill = 36,000 × 3/6 = Rs.18,000

Journal Entries

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
	Senthamari's Capital A/c (18,000 x 2/3) Dr. Raj's Capital A/c (18,000 x 2/3) Dr. To Suresh's Capital A/c (Suresh's share of goodwill adjusted)		12,000 6,000	 18,000

26) Calculation of Quick Ratio:

$$\text{Quick Ratio} = \frac{\text{Quick assets}}{\text{Current liabilities}} = \frac{3,60,000}{2,40,000} = 1.5 : 1$$

Quick assets = Current assets – Inventories – Prepaid expenses
= 4,50,000 – 70,000 – 20,000 = **Rs. 3,60,000**

27) Partnership Deed – Meaning:

- Partnership deed is a document in writing that contains the terms of the agreement among the partners.
- It is not compulsory for a partnership to have a partnership deed as per the Indian Partnership Act, 1932. But, it is desirable to have a partnership deed as it serves as an evidence of the terms of the agreement among the partners.

28) Share – Meaning:

- **The capital of a company is divided into small units of fixed amount.**
- **These units are called shares.**
- **There are two types : 1) Preference shares and 2) Equity shares.**

29) Tools of financial statement analysis

a) **Comparative Statement.**
b) **Common Size Statement.**
c) **Trend Analysis.**
d) **Funds Flow Analysis.**
e) **Cash Flow Analysis.**

30) Five Accounting Reports

a) **Day books/Journals**
b) **Ledger**
c) **Trial Balance**
d) **Income statement**
e) **Balance sheet**

PART - III

III. Answer any seven questions. Question No.40 is compulsory. 7 x 3 = 21

31) Dr. Total Debtors Account Cr.

Particulars	Rs.	Particulars	Rs.
To Balance b/d	1,00,000	By Cash A/c (received)	2,30,000
To Sales A/c (credit) (B/F)	2,80,000	By Discount allowed A/c	5,000
		By Returns inward A/c	25,000
		By Balance c/d	1,20,000
	3,80,000		3,80,000

32) **In the books of Chennai Tennis Club**

Balance sheet as on 31st March, 2019

Liabilities	Rs.	Rs.	Assets	Rs.	Rs.
Match fund	24,000				
Add: Fund received	26,000				
	50,000				
Less: Match Expenses	33000	**17,000**			

33) Interest on drawings = Amount of drawings x Rate of interest x Period of interest

Withdrawal on March 1 = 4,000 x 6/100 x 10/12 = 200

Withdrawal on June 1 = 4,000 x 6/100 x 7/12 = 140

Withdrawal on September 1 = 4,000 x 6/100 x 4/12 = 80

Withdrawal on December1 = 4,000 x 6/100 x 1/12 = 20

Total interest on drawings = 440

34) Calculation of Goodwill:

Total capitalized value of the business $= \dfrac{\textbf{Average profit}}{\textbf{Normal rate of return}} \times 100$

$= \dfrac{60,000}{10} \times 100$ = **Rs.6,00,000**

Goodwill = Total capitalized value of the business - Capital employed

= 6,00,000 – 4,50,000 = **Rs.1,50,000**

35) (a)Write off the entire amount of existing goodwill, that is Rs.30,000

Journal entry

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
2018 April 1	Sam's capital A/c (30,000 × 3/5) Joes's capital A/c (30,000 × 2/5) To Goodwill A/c (Entire amount of existing goodwill written off)	Dr. Dr. Dr.	18,000 12,000	 30,000

(b) Write off Rs.20,000 of existing goodwill.

Journal entry

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
2018 April 1	Sam's capital A/c (20,000 × 3/5) Joes's capital A/c (20,000 × 2/5) To Goodwill A/c (Existing goodwill written off to the extent of Rs.20.000)	Dr. Dr. Dr.	12,000 8,000	 20,000

36) **In the books of Nathiya Textiles Ltd.,**

Journal entries

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
	Equity share capital A/c (100 × 8) Dr. To Equity share first call A/c (100 × 2) To Forfeited shares A/c (100 × 6) (100 Shares forfeited, called up Rs.8)		800	 200 600
	Bank A/c (75 × 7) Dr. Forfeited shares A/c (75 × 1) Dr. To Equity share capital A/c (75 × 8) (75 Forfeited shares reissued)		525 75	 600
	Forfeited shares A/c Dr. To Capital reserve A/c (Gain on reissue of forfeited shares transferred to capital reserve account)		375	 375

37) **Calculation of Trade Payable Turnover Ratio:**

Trade payables turnover ratio $= \dfrac{\text{Net Credit Purchases}}{\text{Average trade payables}} = \dfrac{9,50,000}{95,000} =$ **10 Times**

Average trade payables $= \dfrac{\text{Opening trade payables + Closing trade payables}}{2}$

$= \dfrac{(60,000 + 45,000) + (50,000 + 35,000)}{2} = \dfrac{1,90,000}{2} =$ Rs. 95,000

Payment period $= \dfrac{\text{Number of days in a year}}{\text{Trade payable turnover ratio}} = \dfrac{365}{10} =$ **36.5 days**

38) **Applications of the provisions of the Indian Partnership Act, 1932 in the absence of a partnership deed**

a) **Remuneration to partners:**
No salary or remuneration is allowed to any partner. [Section 13(a)]

b) **Profit-sharing ratio:**
Profits and losses are to be shared by the partners equally. [Section 13(b)]

c) **Interest on capital:**
No interest is allowed on the capital. Where a partner is entitled to interest on capital contributed as per partnership deed, such interest on capital will be payable only out of profits. [Section 13(c)]

d) **Interest on loans advanced by partners to the firm:**
Interest on the loan is to be allowed at the rate of 6 percent per annum. [Section 13(d)]

e) **Interest on drawings:**
No interest is charged on the drawings of the partners.

39) **Differences between the sacrificing ratio and the gaining ratio (Any 3)**

Basis	Sacrificing ratio	Gaining ratio
1. Meaning	It is the proportion of the profit which is sacrificed by the old partners in favour of a new partner.	It is the proportion of the profit which is gained by the continuing partners from the retiring partner.
2. Purpose	It is calculated to determine the amount to be adjusted towards goodwill for the sacrificing partners.	It is calculated to determine the amount to be adjusted towards goodwill for the gaining partners.
3. Time of calculation	It is calculated at the time of admission of a new partner.	It is calculated at the time of retirement of a partner.
4. Method of calculation	It is the difference between the old ratio and the new ratio	It is the difference between the new ratio and the old ratio.
5. Formula	Sacrificing ratio = Old profit sharing ratio – New profit sharing ratio	Gaining ratio = New profit sharing ratio - Old profit sharing ratio

40) **Gateway of Tally to view the following:**

i) Gateway of Tally > Reports > Profit & Loss A/c > AltF1 (detailed)
ii) Gateway of Tally > Reports > Balance Sheet > AltF1 (detailed)

iii) Gateway of Tally > Reports > Display> Day Book > AltF1 (detailed)

PART - IV

IV. Answer all the questions. 7 x 5 = 35

41.a.

In the books of David

Calculation of opening capital

Statement of affairs as on 1st April, 2018

Liabilities	Rs.	Assets	Rs.
Sundry creditors	1,05,000	Cash	43,000
Loan	25,000	Stock of goods	1,20,000
Capital (balancing figure)	4,00,000	Sundry debtors	84,000
		Business premises	2,50,000
		Furniture	33,000
	5,30,000		5,30,000

Calculation of closing capital

Statement of affairs as on 31st March, 2019

Liabilities	Rs.	Assets	Rs.
Sundry creditors	1,02,000	Cash	29,000
Loan	20,000	Stock of goods	1,30,000
Capital (balancing figure)	4,42,000	Sundry debtors	1,10,000
		Business premises	2,50,000
		Furniture	45,000
	5,64,000		5,64,000

Statement of profit or loss for the year ending 31st March, 2019

Particulars	Rs.
Closing capital as on 31.3.2019	4,42,000
Add: Drawings during the year (2,500 x 12)	30,000
	4,72,000
Less: Additional capital introduced during the year	45,000
Adjusted closing capital	4,27,000
Less: Opening capital as on 1.4.2018	4,00,000
Profit made during the year ending 31.3.2019 (B/F)	**27,000**

[OR]

41.b. **In the books of Ooty Recreation Club**

Dr. Income and Expenditure Account for the year ended 31st March, 2018 Cr.

Expenditure	Rs.	Income	Rs.
To Sports materials purchased	10,000	By Rent received	10,000
To Stationery paid	7,000	By Subscription received	54,000
To Salaries	20,000		
To Surplus (Excess of income over expenditure)	**27,000**		
	64,000		**64,000**

42.a. In the books of Arun

Statement of affairs as on 31st December, 2017

Liabilities	Rs.	Assets	Rs.
Creditors	50,000	Cash in Bank	30,000
		Land and Building	2,40,000
Capital (balancing figure)	**3,80,000**	Stock-in-trade	1,20,000
		Debtors	40,000
	4,30,000		4,30,000

Dr. Total creditors account Cr.

Particulars	Rs.	Particulars	Rs.
To Cash A/c (paid)	6,00,000	By Balance b/d	50,000
To Purchase Return A/c	30,000	**By Purchases A/c (credit)**	**6,25,000**
To Balance c/d	45,000	**(balancing figure)**	
	6,75,000		6,75,000

Dr. Trading and Profit and loss account for the year ended 31st December, 2018 Cr.

Particulars		Rs.	Particulars	Rs.	
To Opening stock		1,20,000	By Sales	7,70,000	
To Purchases	6,25,000		Less: Sales Return	25,000	7,45,000
Less: Purchase Return	30,000	5,95,000	By Closing stock		1,70,000
To Wages		65,000			
To Gross profit c/d (Transferred to Profit & Loss A/C)		**1,35,000**			
		9,15,000			9,15,000
To Carriage Outwards		7,500	By Gross profit b/d		1,35,000
To Sundry Expenses		28,000			
To Depreciation on Land and Building		12,000			
To Doubtful Debts		1,500			
To Net profit (Transferred to capital account)		**86,000**			
		1,35,000			1,35,000

Balance Sheet as on 31st December, 2018

Liabilities	Rs.	Rs.	Assets	Rs.	
Capital	3,80,000		Cash at Bank		53,000
Less: Drawings	10,000				
	3,70,000		Debtors	51,500	
Add: Net Profit	86,000	4,56,000	(-) Doubtful debts	1,500	50,000
Sundry Creditors		45,000	Land and Building	2,40,000	
			(-) Depreciation 10%	12,000	2,28,000
			Stock		1,70,000
		5,01,000			5,01,000

[OR]

42.b. **In the books of Coimbatore Criket Club**

Dr. Receipts and Payments Account for the year ended 31st March, 2019 Cr.

Receipts	Rs.	Rs.	Payments	Rs.
To Balance b/d Cash in hand		1,000	By Balance b/d Bank Overdraft	6,000
To Subscription Received Previous Year	500		By Wages paid for ground maintenance	2,000
Current Year	9,600		By Interest on loan paid	2,000
Next Year	400	10,500	By Honorarium paid	2,800
To Match Fund received		5,200	By Water and Electricity charges	700
To Legacies received		2,000	By Match Expenses	2,600
To Donation Received for Pavilion		2,000	By Sports Material purchased	1,900
			By Balance c/d Cash in hand	300
			Bank Balance	**2,400**
		20,700		**20,700**

43.a. **Dr. Partners' Capital Account Cr.**

Date	Particulars	Rooban Rs.	Deri Rs.	Date	Particulars	Rooban Rs.	Deri Rs.
2019 Mar. 31	To Balance c/d	**88,000**	**66,000**	2018 Apr. 1	By Balance b/d	70,000	50,000
					By Bank (Additional capital)	18,000	16,000
		88,000	**66,000**			**88,000**	**66,000**
				2019 Apr 1	**By Balance b/d**	**88,000**	**66,000**

Dr. **Partners' Current Account** Cr.

Date	Particulars	Rooban Rs.	Deri Rs.	Date	Particulars	Rooban Rs.	Deri Rs.
	To Drawings	10,000	6,000		By Balance b/d	25,000	15,000
	To Interest on drawings	500	300		By Profit & Loss Appropriation A/c (Share of Profit)	35,000	25,800
	To Balance C/d	**65,000**	**55,000**		By Interest of Capital	3,500	2,500
					By Salary	---	18,000
					By Commission	12,000	---
		75,500	**61,300**			**75,500**	**61,300**
					By Balance b/d	**65,000**	**55,000**

[OR]

43.b.

Dr. Revaluation Account Cr.

Particulars	Rs.	Rs.	Particulars	Rs.
To Stock A/c		**2,000**	**By Investment A/c**	**11,000**
To Profit on revaluation transferred to				
Veena's Capital A/c	**6,000**			
Pearl's Capital A/c	**3,000**	**9,000**		
		11,000		**11,000**

Old Ratio of Veena and Pearl = 2:1 that is, 2/3 : 1/3

New Ratio of Veena, Pearl and Deri = 5:3:2 that is, 5/10 : 3/10 : 2/10

Calculation of Sacrificing Ratio:

Share sacrificed = Old share - New share

Veena $= \frac{2}{3} - \frac{5}{10} = \frac{20-15}{30} = \frac{5}{30}$

Pearl $= \frac{1}{3} - \frac{3}{10} = \frac{10-9}{30} = \frac{1}{30}$

Sacrificing ratio of Veena and Pearl is $\frac{5}{30} : \frac{1}{30}$ **that is 5:1**

Dr. **Partners' Capital Account** **Cr.**

Particulars	Veena Rs.	Pearl Rs.	Deri Rs.	Particulars	Veena Rs.	Pearl Rs.	Deri Rs.
				By Balance B/d	60,000	40,000	.....
To Bank A/c	5,000	1,000	……	By Bank	…….	……	30,000
To Balance C/d	**92,000**	**56,000**	**30,000**	By General Reserve A/c	20,000	10,000	.....
				By Workmen Compensation Fund (10,000 – 1,000)	6,000	3,000	.....
				By Revaluation A/c	6,000	3,000	…...
				By Bank A/c * (Share of goodwill)	5,000	1,000	.....
	97,000	57,000	30,000		97,000	57,000	30,000
				To Balance B/d	**92,000**	**56,000**	**30,000**

Goodwill of the firm is Rs.30,000

Deri's share of goodwill = 30,000 × 2/10 = Rs.6,000

It is to be distributed to Veena and Pearl in their sacrificing ratio of 5:1

Dr. **Cash at bank Account** **Cr.**

Date	Particulars	Rs.	Date	Particulars	Rs.
	To Balance B/d	30,000		**By Veena's capital A/c**	5,000
	To Deri's Capital A/c	30,000			1,000
	To Veena's capital A/c	5,000		By Pearl's capital A/c	60,000
		1,000		**By Balance C/d**	
	To Pearl's capital A/c				
		66,000			66,000

Balance Sheet as on 31st March 2018

Liabilities	Rs.	Rs.	Assets	Rs.	Rs.
Capital A/c			Buildings		60,000
Veena	92,000				
Pearl	56,000		Machinery		30,000
Deri	30,000	1,78,000			
			Investments		11,,000
Workmen compensation Fund (10,000 – 9,000)		1,000	Debtors		20,000
		10,000	Stock	10,000	
Sundry Creditors			(-) Decrease	2,000	8,000
			Cash at Bank		60,000
		1,89,000			1,89,000

44.a. Average profit = $\frac{\text{Total profit}}{\text{Number of years purchase}}$

$$= \frac{13{,}000 + 15{,}000 + 17{,}000}{3}$$

$$= \frac{45{,}000}{3} = \textbf{Rs.15,000}$$

Normal profit = Capital employed × Normal rate of return

= 50,000 × 10/100 = **Rs. 5,000**

Super profit = Average profit – Normal profit

= 15,000 – 5,000 = **Rs. 10,000**

Goodwill = Super profit × Number of years of purchase

= 10,000 × 2.4868 = **Rs. 24,868**

[OR]

44.b.

Dr. Revaluation Account Cr.

Particulars		Rs.	Particulars	Rs.
To Stock A/c		2,000	By Land A/c	11,000
To Debtors A/c		3,000		
To Profit on revaluation transferred to				
Sundar's Capital A/c	3,000			
Vivek's Capital A/c	2,000			
Pandian's Capital A/c	1,000	6,000		
		11,000		11,000

Dr. Partners' Capital Account Cr.

Particulars	Sundar Rs.	Vivek Rs.	Pandian Rs.	Particulars	Sundar Rs.	Vivek Rs.	Pandian Rs.
To Pro.& Loss A/c	3,000	2,000	1,000	By Balance B/d	50,000	40,000	10,000
To Pandian's Executors Loan A/c	…..	…..	16,000	By General Reserve	18,000	12,000	6,000
To Balance C/d	68,000	52,000	……	By Revaluation A/c (Profit)	3,000	2,000	1,000
	71,000	54,000	17,000		71,000	54,000	17,000
				To Balance B/d	**68,000**	**52,000**	**……**

Balance Sheet as on 31st January 2019

Liabilities	Rs.	Rs.	Assets	Rs.	Rs.
Capital A/c			Land	80,000	
Sundar	68,000		(+) Appreciation	11,000	91,000
Vivek	52,000	1,20,000			
			Stock	20,000	
Pandian's Executors Loan A/c		16,000	(-)Decrease	2,000	18,000
Sundry Creditors		14,000	Debtors	30,000	
			(-) Decrease	3,000	27,000
			Cash at Bank		14,000
		1,50,000			1,50,000

45.a.

In the books of Sudha Ltd.,
Journal entries

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
	Bank A/c (1,40,000 x 3) Dr. To Equity share application A/c (Application money received)		4,20,000	4,20,000
	Equity share application A/c (1,00,000 x 3) Dr. To Equity share capital A/c (Transfer of share application money to share capital)		3,00,000	3,00,000
	Equity share application A/c (5,000 x 3) Dr. To Bank A/c (Excess share application money refunded)		15,000	15,000
	Equity share application A/c (35,000 x 3) Dr. To Equity share allotment A/c (Excess share application money utilized for Allotment)		1,05,000	1,05,000
	Equity share allotment A/c (1,00,000 x 4) Dr. To Equity share capital A/c (Share allotment money due)		4,00,000	4,00,000
	Bank A/c (4,00,000 - 1,05,000) Dr. To Equity share allotment A/c (Allotment money received)		2,95,000	2,95,000

[OR]

45.b.

Differences between Double Entry System and Incomplete Records

Basis of distinction	Double Entry System	Incomplete Records
1. Type of accounts maintained	Personal, real and nominal accounts are maintained fully.	In general, only personal and cash accounts are maintained fully. Real and nominal accounts are not maintained fully.
2. Determination of financial position	Balance sheet can be prepared to know the true financial position.	Balance sheet cannot be prepared with accuracy and true financial position cannot be ascertained, as the assets and liabilities are just estimates and incomplete.
3. Suitability	It is suitable for all types of organisations.	It may be suitable for small sized sole traders and partnership firms.
4. Reliability	It is reliable since it is a scientific system of accounting and is based on certain accounting principles.	It is not reliable since it is unscientific.
5. Acceptability	Accounting records are acceptable to all users including tax authorities and financial institutions.	Accounting records may not be acceptable to all users.

46.a. **Trend analysis for Palai Ltd**

Particulars	Rs. **in lakhs**			Trend percentages		
	Year 1	**Year 2**	**Year 3**	**Year 1**	**Year 2**	**Year 3**
I EQUITY AND LIABILITIES						
Shareholders' fund	250	275	300	**100**	**110**	**120**
Non-current liabilities	100	125	100	**100**	**125**	**100**
Current liabilities	50	40	80	**100**	**80**	**160**
Total	**400**	**440**	**480**	**100**	**110**	**120**
II ASSETS						
Non-current assets	300	360	390	**100**	**120**	**130**
Current assets	100	80	90	**100**	**80**	**90**
Total	**400**	**440**	**480**	**100**	**110**	**120**

Note: Computation of trend percentage for revenue from operations:

For Year 2	**For Year 3**
: 275 /250 x 100 = 100%	: 300 /250 x 100 = 120%
: 125 /100 x 100 = 125%	: 100 /100 x 100 = 100%
: 40 /50 x 100 = 80%	: 80 /50 x 100 = 160%
: 440 /400 x 100 = 110%	: 480 /400 x 100 = 120%
: 360/300 x 100 = 120%	: 390/300 x 100 = 130%
: 80 /100 x 100 = 80%	: 90 /100 x 100 = 90%
: 440 /400 x 100 = 110%	: 480 /400 x 100 = 120%

[OR]

46. b. Calculation of Ratios:

(i)Gross Profit Ratio $= \dfrac{\text{Gross Profit}}{\text{Revenue from Operations}} \times 100 = \dfrac{4,000}{20,000} \times 100 =$ **20%**

Gross profit = Revenue from operations – Cost of revenue from operations
= 20,000 – 16,000 = **Rs. 4,000**

Cost of revenue from operations = Purchase of stock-in-trade + Changes in inventory + Direct expenses
= 17,000 – 1,000 + 0 = **Rs. 16,000**

(ii)Net Profit Ratio $= \dfrac{\text{Net Profit after Tax}}{\text{Revenue from Operations}} \times 100 = \dfrac{1,500}{20,000} \times 100 =$ **7.5%**

(iii)Operating Cost Ratio $= \dfrac{\text{Operating Cost}}{\text{Revenue from Operations}} \times 100 = \dfrac{18,400}{20,000} \times 100 =$ **92%**

Operating cost = Cost of revenue from operations + Operating expenses
Operating expenses = Other expenses = **Rs. 2,400**
Operating cost = 16,000 + 2,400 = **Rs. 18,400**

(iv)Operating Profit Ratio $= \dfrac{\text{Operating Profit}}{\text{Revenue from Operations}} \times 100 = \dfrac{1,600}{20,000} \times 100 =$ **8%**

Operating profit = Revenue from operations – Operating cost
= 20,000 – 18,400 = **Rs. 1,600**

47.a) Comparative income statement of Tharun Co. Ltd

for the years ended 31st March, 2017 and 31st March, 2018

Particulars	2016-17 Rs.	2017-18 Rs.	Absolute amount of increase (+) or decrease (–)	Percentage increase (+) or decrease (–)
Revenue from operations	2,00,000	2,50,000	+50,000	+25
Add: Other income	50,000	40,000	–10,000	–20
Total revenue	**2,50,000**	**2,90,000**	**+40,000**	**+16**
Less: Expenses	1,50,000	1,20,000	–30,000	–20
Profit before tax	**1,00,000**	**1,70,000**	**+70,000**	**+70**

Note - 1 : Computation of percentage increase for revenue from operations

$$= \frac{\text{Absolute amount of increase or decrease}}{\text{Year 1 amount}} \times 100$$

$= \frac{50,000}{2,00,000} \times 100 = 25\%$	$= \frac{30,000}{1,50,000} \times 100 = 20\%$
$= \frac{10,000}{50,000} \times 100 = 20\%$	$= \frac{70,000}{1,00,000} \times 100 = 70\%$
$= \frac{40,000}{2,50,000} \times 100 = 16\%$	

[OR]

47.b) The applications of CAS are as follows:

1. **Maintaining accounting records:**
   - ✓ In CAS, accounting records can be maintained easily and efficiently for long time period.
   - ✓ It does not require a large amount of physical space.
   - ✓ It facilitates fast and accurate retrieval of data and information.

2. **Inventory management:**
   - ✓ CAS facilitates efficient management of inventory.
   - ✓ Fast moving, slow moving and obsolete inventory can be identified.

3. **Report generation:**
   - ✓ CAS helps to generate various routine and special purpose reports.

4. **Data import/export:**
   - ✓ Accounting data and information can be imported from or exported to other users within the organisation as well as outside the organisation.

5. **Taxation:**
   - ✓ CAS helps to compute various taxes and to deduct these and deposit the same to the Government account.

************* All The Best *************