Chapter 1 : Concept of Business
1.1 Introduction to Business
1.2 Classification of Economic Activities
1.3 Characteristic Features of Business
1.4 Objectives of Business
1.5 Social Responsibility of Business

Chapter 2 : Business Activities
2.1 Industry
2.2 Commerce
2.3 Hindrances involved in Commerce
2.4 Branches of Commerce
2.5 Inter relationship between Industry, Trade and Commerce
2.6 Distinction between Industry, Commerce and Trade

Chapter 3 : Forms of Business organisation
3.1 Concept of Business organisation
3.2 Forms of Business organisation
3.3 Sole Proprietorship

Chapter 4: Joint Hindu Family Business and Cooperative Society
4.1 Joint Hindu Family form of Business Organisation
4.2 Cooperative Society

Chapter 5 : Partnership
5.1 Meaning and Definition
5.2 Features
5.3 Types of Partners
5.4 Advantages and Limitations
5.5 Registration of Partnership
5.6 Partnership Deed
5.7 Rights and Duties of Partners
5.8 Dissolution of Partnership Firms
Chapter 6: Joint Stock Company – Formation

6.1 Joint Stock Company
6.2 Features
6.3 Classification of Companies
6.4 Distinction between Private Company and Public Company
6.5 Advantages and Disadvantages

Chapter 7: Formation of a Company

7.1 Steps In Formation of a Company
7.2 Promotion
7.3 Functions of Promoters
7.4 Types of Promoters
7.5 Incorporation of a Company or registration
7.6 Capital subscription
7.7 Commencement of Business
7.8 Memorandum of association
7.9 Articles of association
7.10 Prospectus
7.11 Minimum Subscription
7.12 Certificate of Commencement of Business

Chapter 8: Sources of Business Finance-I

8.1 Meaning of Business Finance
8.2 Nature of Business Finance
8.3 Need for and Significance of Business Finance
8.4 Classification of Sources of Funds
8.5 Factors Determining the choice of Sources of Finances

Chapter 9: Sources of Business Finance-II

9.1 Non-institutional Sources of Finance
9.2 Institutional sources of Finance
9.3 International sources of Finance

Chapter 10: Micro, Small and Medium Enterprises (MSMEs)

10.1 Meaning and definition of Enterprise and MSMEs
10.2 Registration requirements under the MSMED Act, 2006
10.3 Significance of MSMEs
10.4 Privileges offered To Micro, Small And Medium Enterprises
10.5 Other Promotional Measures For MSMEs

**Chapter 11: Multi National Corporations (MNCs)**

11.1 Meaning and definitions
11.2 Necessity of Globalization
11.3 Multi-national Corporations
11.4 Features of MNCs
11.5 Advantages and Disadvantages of MNCs

**Chapter 12: Emerging Trends in Business**

12.1 Meaning and Definition of E - Business
12.2 Scope of E-business
12.3 Benefits of E-business
12.4 Opportunities and challenges of business in 21st Century
12.5 Opportunities
12.6 Challenges
Chapter 1: Book Keeping and Accounting
1.1 Introduction
1.2 Book Keeping
1.3 Accounting
1.4 Basic Accounting Terms

Chapter 2: Accounting Principles
2.1 Accounting Principles
2.2 Accounting Concepts
2.3 Accounting Conventions
2.4 Accounting Standards

Chapter 3: Double Entry Book Keeping System
3.1 Introduction
3.2 Meaning
3.3 Advantages
3.4 Account
3.5 Classification of Accounts

Chapter 4: Journal
4.1 Meaning
4.2 Proforma
4.3 Illustrations

Chapter 5: Ledger
5.1 Meaning
5.2 Advantages of Ledger
5.3 Posting

Chapter 6: Subsidiary Books
6.1 Meaning of the Subsidiary Books
6.2 The Need / Advantages of Subsidiary Books
6.3 Types of Subsidiary Books
6.4 Preparation of Subsidiary Books
6.4.1 Purchase Book
6.4.2 Purchase Returns Book
6.4.3 Sales Book
6.4.4 Sales Return Book
6.4.5 Cash Book
6.4.6 Bills Receivable Book
6.4.7 Bills Payable Book
6.4.8 Journal Proper

Chapter 7 : Journal Proper
7.1 Meaning
7.2 Advantages
7.2.1 Opening Entries
7.2.2 Purchases of Assets on Credit
7.2.3 Sale of Asset on Credit
7.2.4 Rectification entries
7.2.5 Adjustment entries
7.2.6 Closing journal entries
7.2.7 Transfer entries
7.2.8 Other entries

Chapter 8 : Cash Book
8.1 Meaning of Cash Book
8.2 Characteristics and Advantages
8.2.1 Characteristics
8.2.2 Advantages
8.3 Importance
8.4 Various kinds of Cash Book and their Preparation
8.4.1 Simple Cash Book
8.4.2 Double column Cash Book
8.4.3 Triple column Cash Book
8.4.4 Petty Cash Book

Chapter 9 : Bank Reconciliation Statement
9.1 Introduction
9.2 Nature Of The Cash Book And Bank Pass Book (Bank Statement)
9.3 Meaning and Advantages of Bank Reconciliation Statement
9.4 Procedure for Preparation of Bank Reconciliation Statement
9.5 Reasons for Difference
9.6 Preparation of Bank Reconciliation Statement
9.6.1 Favourable Balances
9.6.2 Unfavourable Balance or Overdraft Balance
9.6.3 When extracts from Cash Book and Pass Book are given

**Chapter 10 : Trail Balance**
10.1 Meaning
10.2 Features or Characteristics
10.3 Merits
10.4 Limitations
10.5 Types of Preparation
10.6 Proforma
10.7 Key Points

**Chapter 11 : Errors and their Rectifications**
11.1 Errors
11.2 Types of Errors
11.3 Rectification of Errors
11.4 Suspense Account

**Chapter 12 : Final Accounts**
12.1 Meaning
12.2 Objectives
12.3 Advantages and Limitations
12.4 Capital and Revenue Items
12.5 Preparation of Trading Account
12.6 Preparation of Profit & Loss Account
12.7 Balance Sheet

**Chapter 13 : Final Accounts With Adjustments**
13.1 Meaning
13.2 Types of Adjustments
13.3 Summary of Adjustments
13.4 Accounting Treatment to the Adjustments given in Trial Balance.
Answer any two of the following questions in not exceeding 40 lines each.  

1. Explain the merits and demerits of Partnership business?
2. What is Incorporation? Explain about the important documents required for incorporation of a company.
3. What do you mean by debenture? Explain different types of debentures and their relative benefits?

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

4. Explain the characteristics of Business. (Unit-I)
5. List out and explain the features of Co-operative Societies. (Unit-II)
6. Write any five differences between Private and Public Company. (Unit-III).
7. Explain the merits of equity shares?
8. Write the features of Multi National Corporations?
9. Describe the opportunities and challenges of business in the 21st Century?

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

10. Entrepo Trade.
12. Sole Proprietorship.
13. Partnership Deed.
15. Prospectus.

**PART-II (50 MARKS)**

**SECTION-D**

18. Answer the following Question.

**1X20=20 M**

From the following Trial Balance of Mr. Jagannath prepare Trading, Profit and Loss Accounts and Balance Sheet as on 31-12-2012.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Debit Rs.</th>
<th>Credit Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>12,000</td>
<td></td>
</tr>
<tr>
<td>Purchases</td>
<td>52,000</td>
<td></td>
</tr>
<tr>
<td>Trade Expenses</td>
<td>2,000</td>
<td></td>
</tr>
<tr>
<td>Wages</td>
<td>15,600</td>
<td></td>
</tr>
<tr>
<td>Carriage</td>
<td>800</td>
<td></td>
</tr>
<tr>
<td>Office Expenses</td>
<td></td>
<td>1,000</td>
</tr>
<tr>
<td>Commission</td>
<td></td>
<td>1,200</td>
</tr>
<tr>
<td>Bad debts</td>
<td></td>
<td>2,400</td>
</tr>
<tr>
<td>Debtors</td>
<td></td>
<td>60,000</td>
</tr>
<tr>
<td>Furniture</td>
<td></td>
<td>6,000</td>
</tr>
<tr>
<td>Machinery</td>
<td></td>
<td>20,000</td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Account</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bills Receivable</td>
<td>800</td>
</tr>
<tr>
<td>Opening Stock</td>
<td>4,000</td>
</tr>
<tr>
<td>Cash in Hand</td>
<td>14,000</td>
</tr>
<tr>
<td>Cash in Bank</td>
<td>1,000</td>
</tr>
<tr>
<td>Capital</td>
<td>7,200</td>
</tr>
<tr>
<td>Sales</td>
<td>94,000</td>
</tr>
<tr>
<td>Discount</td>
<td>400</td>
</tr>
<tr>
<td>Creditors</td>
<td>42,000</td>
</tr>
<tr>
<td>Bills payable</td>
<td>13,600</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,00,000</strong></td>
</tr>
</tbody>
</table>

**Adjustments:**

1. Closing stock Rs. 22,000/-
2. Outstanding wages Rs. 4,500/-
3. Prepaid Insurance Rs. 100/-
4. Provide Bad debts at Rs. 3,000/-
5. Depreciation on Machinery at 5%.
**SECTION-E**

Answer any **one** of the following question:  

\[ 1 \times 10 = 10 \text{ M} \]

19. Prepare Three Column Cash Book from the following particulars.

<table>
<thead>
<tr>
<th>2012</th>
<th>January 1</th>
<th>Cash in hand</th>
<th>10,000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Cash at Bank (O.D)</td>
<td>2,500</td>
</tr>
<tr>
<td>January 2</td>
<td>Paid wages</td>
<td></td>
<td>3,000</td>
</tr>
<tr>
<td>January 5</td>
<td>Cash Deposited into Bank</td>
<td></td>
<td>4,000</td>
</tr>
<tr>
<td>January 9</td>
<td>Cash Sales</td>
<td></td>
<td>15,000</td>
</tr>
<tr>
<td>January 12</td>
<td>Sold goods and received a cheque</td>
<td></td>
<td>10,000</td>
</tr>
<tr>
<td></td>
<td>(Deposited on the same day)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>January 18</td>
<td>Sold goods to Hari on credit</td>
<td></td>
<td>20,000</td>
</tr>
<tr>
<td>January 25</td>
<td>Withdrawn cash for personal use</td>
<td></td>
<td>2,000</td>
</tr>
<tr>
<td>January 31</td>
<td>Commission received</td>
<td></td>
<td>1,000</td>
</tr>
</tbody>
</table>

OR

20. From the following particulars of Reddy, prepare a Bank Reconciliation statement:

   a. Bank over draft as per Cash Book-Rs. 10,500/-

   b. Bills collected directly by bank Rs.3,500/-

   c. Debit side of the Bank Column of Cash book cash short Rs. 100/-

   d. A Cheque deposited as per bank statement but not recorded in cash book Rs. 900/-

   e. Bank charges recorded twice in the cash book Rs. 420/-

   f. A cheque of Rs. 6000/- deposited but collections as per statement Rs. 3,500/-
21. Explain the principles of debit and credit of different Accounts with examples.

22. Prepare Mahesh Account from the following transactions:

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1</td>
<td>Amount due from Mahesh</td>
<td>10,000/-</td>
</tr>
<tr>
<td>July 5</td>
<td>Goods sold to Mahesh</td>
<td>12,000/-</td>
</tr>
<tr>
<td>July 12</td>
<td>Cash received from Mahesh</td>
<td>5,000/-</td>
</tr>
<tr>
<td>July 16</td>
<td>Goods returned by Mahesh</td>
<td>2,000/-</td>
</tr>
<tr>
<td>July 25</td>
<td>Cheque given by Mahesh</td>
<td>10,000/-</td>
</tr>
<tr>
<td>July 31</td>
<td>Mahesh account is settled with 10% Discount.</td>
<td></td>
</tr>
</tbody>
</table>

23. Enter the following transactions in the purchase book and sales book:

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 1</td>
<td>Purchased goods from Anand</td>
<td>700/-</td>
</tr>
<tr>
<td>Jan 7</td>
<td>Sold goods to Bhanu</td>
<td>500/-</td>
</tr>
<tr>
<td>Jan 10</td>
<td>Purchased goods from Chandu (Trade Discount 5%)</td>
<td>2,000/-</td>
</tr>
<tr>
<td>Jan 12</td>
<td>Sold goods to Damodar</td>
<td>800/-</td>
</tr>
<tr>
<td>Jan 15</td>
<td>Purchased goods from Govind</td>
<td>600/-</td>
</tr>
<tr>
<td>Jan 20</td>
<td>Purchases</td>
<td>500/-</td>
</tr>
<tr>
<td>Jan 25</td>
<td>Purchased goods from Gopal (Trade Discount 10%)</td>
<td>1,000/-</td>
</tr>
<tr>
<td>Jan 27</td>
<td>Sold goods to Mahesh</td>
<td>1,100/-</td>
</tr>
<tr>
<td>Jan 30</td>
<td>Sold goods to Nagesh for cash</td>
<td>500/-</td>
</tr>
</tbody>
</table>

24. Explain the various types of errors?
Answer any **five** of the following:  

25. Capital Expenditure.
26. Ledger.
27. GAAP.
29. Double entry system.
30. Journalize the following transactions in the books of Hari

<table>
<thead>
<tr>
<th>Date</th>
<th>Transaction</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>Commenced business with cash</td>
<td>55,000/-</td>
</tr>
<tr>
<td>Feb 1</td>
<td>Cash purchases</td>
<td>15,000/-</td>
</tr>
<tr>
<td>Feb 5</td>
<td>Sold good to Rajesh on Credit</td>
<td>3,800/-</td>
</tr>
<tr>
<td>Feb 10</td>
<td>Salaries paid</td>
<td>5,000/-</td>
</tr>
</tbody>
</table>

31. Record the opening Entry from the following Information:

- Cash in hand: 3,000/-
- Furniture: 5,000/-
- Closing Stock: 4,000/-
- Sundry debtors: 15,000/-
- Sundry creditors: 10,000/-
- Bills payable: 6,000/-
- Bills receivable: 4,000/-
32. Prepare a Trail Balance from the following balances of Mr. Ramana.

<table>
<thead>
<tr>
<th>Account</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bills Receivable</td>
<td>4,000/-</td>
</tr>
<tr>
<td>Purchases</td>
<td>12,000/-</td>
</tr>
<tr>
<td>Capital</td>
<td>7,600/-</td>
</tr>
<tr>
<td>Sales</td>
<td>4,800/-</td>
</tr>
<tr>
<td>Bills payable</td>
<td>3,200/-</td>
</tr>
<tr>
<td>Sales Return</td>
<td>800/-</td>
</tr>
<tr>
<td>Purchase Return</td>
<td>1,200/-</td>
</tr>
</tbody>
</table>