

Solutions to RAC/Set-2

1. (A) (c) ₹ 12,000

	Interest on Capital	Salary
Sachin	₹ 5,000	–
Arvind	₹ 10,000	₹ 20,000
Ratio of Appropriations =	₹ 15,000	₹ 20,000
or	3 : 4	

$$\text{Arvind's salary} = \frac{4}{7} \times ₹ 21,000 = ₹ 12,000$$

Or

(B) (b) Both (A) and (R) are correct, but (R) is not the correct explanation of (A).

2. (d) Amay's gain $\frac{2}{9}$, Binay's sacrifice $\frac{1}{9}$, Chinmay's sacrifice $\frac{1}{9}$

3. (A) (b) ₹ 9

Or

(B) (d) ₹ 70,00,000

4. (b) ₹ 1,44,000

5. (c) ₹ 21,400

6. (b) Credited to Capital reserve

Or

(b) writing off capital losses

7. (b) ₹ 76,000

8. (A) (b) ₹ 1,56,000

Or

(B) (b) ₹ 3,02,000

9. (b) ₹ 1,08,000

10. (a) Surplus capital to be withdrawn by A ₹ 10,000 and Deficit Capital to be brought in by B ₹ 5,000.

11. (d) ₹ 2,50,000

12. (d) Nil

13. (b) Debenture Suspense A/c	Dr	₹ 6,00,000	
To 10% Debentures A/c			₹ 6,00,000

14. (b) Debenture Suspense A/c

15. (A) (a) ₹ 12,000

Or

(B) (c) (iii) ; (ii) ; (i) ; (iv)

16. (b) Profit and Loss Appropriation Account.

17.

In the Books of Sanjay, Vijay and Ajay

Journal

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
(i)	Sanjay's Capital A/c	Dr.	15,000	
	Vijay's Capital A/c	Dr.	6,000	
	To Goodwill A/c			21,000
	(Being old goodwill written off)			
(ii)	Cash A/c	Dr.	1,49,000	
	To Ajay's Capital A/c			1,00,000
	To Premium for Goodwill			49,000
	(Being the capital and premium for goodwill brought in by the new partner)			
(iii)	Premium for Goodwill A/c	Dr.	49,000	
	Vijay's Capital A/c	Dr.	35,000	
	To Sanjay's Capital A/c			84,000
	(Being the entry passed for goodwill to compensate the sacrificing partner)			

Working Notes:

Sacrifice/gain:

$$\text{Sanjay} = 5/7 - 13/35 = \frac{25-13}{35} = 12/35 \text{ (Sacrifice)}$$

$$\text{Vijay} = 2/7 - 15/35 = \frac{10-15}{35} = -5/35 \text{ (Gain)}$$

$$\text{Ajay} = 1/5 \text{ (Gain)}$$

Premium brought by Ajay = ₹ 49,000

Goodwill of the firm = ₹ 49,000 × 5 = ₹ 2,45,000

Amount to be compensated by Vijay to Sanjay for goodwill = ₹ 2,45,000 × 5/35 = ₹ 35,000

18.

Journal of Mudra Ltd

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
	Assets A/c	Dr.	40,00,000	
	To Liabilities A/c			6,50,000
	To Sanchay Ltd. A/c			32,00,000
	To Capital Reserve A/c			1,50,000
	(Being Business taken over and capital reserve recorded)			
	Sanchay Limited A/c	Dr.	32,00,000	
	Loss on Issue of Debentures A/c	Dr.	4,50,000	
	To 8% Debentures A/c			30,00,000
	To Premium on redemption of Debentures			1,50,000
	To Bank A/c			5,00,000
	(Being purchased consideration discharged)			

19.

**In the Books of P, Q and R
Journal**

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
2025 April, 1	General Reserve A/c Workmen Compensation Reserve A/c To P's Capital A/c To Q's Capital A/c To R's Capital A/c (Being general reserve and workmen compensation reserve transferred to partners capital account in old ratio)	Dr. Dr.	45,000 30,000	45,000 22,500 7,500
April, 1	P's Capital A/c Q's Capital A/c R's Capital A/c To Profit and Loss A/c To Advertisement Suspense A/c (Being advertisement suspense and profit and loss balances transferred to partners capital account in old ratio)	Dr. Dr. Dr.	18,000 9,000 3,000	12,000 18,000

20. (A)

In the Books Gagan, Amber and Aakash

Profit & Loss Appropriation Account

Dr.

for the year ended on 31st March, 2025

Cr.

Particulars	Amount (₹)	Particulars	Amount (₹)
To Interest on Capital:		By Profit and Loss A/c (Net Profit)	68,000
Gagan	8,400		
Amber	6,000		
Aakash	4,800		
	19,200		
To Share in Profit:			
Gagan's Capital A/c	21,960		
Amber's Capital A/c	14,640		
Less: Aakash's Share	(1,000)		
Aakash's Capital A/c	12,200		
Add: Amber's Share	1,000		
	13,200		
	68,000		68,000

Working Notes:

(Firm's Profit) $1 - (\text{Aakash's share}) \frac{1}{4} = (\text{Joint share of Gagan and Amber}) \frac{3}{4}$

This joint share will be divided between Gagan and Amber in their old ratio i.e. 3 : 2.

Gagan's new share = $\frac{3}{4} \times \frac{3}{5} = \frac{9}{20}$; Amber's new share = $\frac{3}{4} \times \frac{2}{5} = \frac{6}{20}$

New Ratio: Gagan = $\frac{9}{20}$, Amber = $\frac{6}{20}$, Aakash = $\frac{1}{4}$ or $\frac{5}{20}$ i.e. 9 : 6 : 5.

Distribution:

(₹)

Firm's Profit 68,000

(-) Interest on Capitals:

Gagan	8,400	
Amber	6,000	
Aakash	4,800	19,200

Net divisible profit 48,800

Gagan's share: ₹ 48,800 × 9/20 = ₹ 21,960

Amber's share: ₹ 48,800 × 6/20 = ₹ 14,640

Aakash's share: ₹ 48,800 × 5/20 = ₹ 12,200

Actual total of interest and profit of Aakash = ₹ 4,800 + ₹ 12,200 = ₹ 17,000

But, since Amber has given guarantee of ₹ 18,000, ₹ 1,000 will be deducted from his share and will be added to Aakash's share.

Or

(B) **Adjustment Entry**

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
2025 April 1	Suman's Capital A/c To Sandhya's Capital A/c (Being omission of interest on capital and drawings rectified.)	Dr.	288	288

Working Notes:

Particulars	Sandhya (₹)	Suman (₹)
Capital at the end	30,000	10,000
Less: Profit (already credited 3 : 2)	4,800	3,200
Add: Drawings (not to be added because the closing capital balances are given before deducting drawings)	—	—
Capital at the Beginning	25,200	6,800
Interest on opening capital @ 5% p.a.	1,260	340

Interest on drawings:

Sandhya's Drawings for 6 months @ 6% p.a. = ₹ 4,000 × 6/100 × 6/12 = ₹ 120

Suman's Drawings for 6 months @ 6% p.a. = ₹ 2,000 × 6/100 × 6/12 = ₹ 60

Adjustment Table

Particulars	Sandhya (₹)	Suman (₹)	Total (₹)
Interest on Capital to be received	1,260 Cr.	340 Cr.	1,600
Interest on Drawings to be charged	120 Dr.	60 Dr.	180
Net amount that should have been received	1,140 Cr.	280 Cr.	1,420
₹ 1,420 already received as profit (3:2)	852 Dr.	568 Dr.	1,420
Net Rectification	288 Cr.	288 Dr.	—

21.

In the Books of A, B and C

Journal Entries

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
2025 Sep 30	A's Capital A/c B's Capital A/c To C's Capital A/c (Being treatment of goodwill on death of C)	Dr. Dr.	6,000 4,000	10,000
Sep 30	Profit and Loss Suspense A/c To C's Capital A/c (Being C's share of profit till the time of his death)	Dr.	6,500	6,500

Sep 30	Revaluation A/c To A's Capital A/c To B's Capital A/c To C's Capital A/c (Being distribution of profit on revaluation in partners old ratio)	Dr.		9,000	4,500 3,000 1,500
Sep 30	C's Capital A/c To Cash A/c To C's Loan A/c (Being 50% paid immediately and balance transfer to his loan A/c)	Dr.		50,000	25,000 25,000

22.

Balance Sheet of Nirmal Ltd.

as at 31st March,

Particulars	Note No.	Current Year (₹)	Previous Year (₹)
EQUITY AND LIABILITIES			
Shareholders' Funds:			
Share Capital	1	35,00,000	
Non-Current Liabilities:			
Long-term Borrowings	2	10,00,000	
		45,00,000	
ASSETS			
Non-Current Assets:			
Fixed Assets	3	10,00,000	
Current Assets:			
Cash and Cash Equivalents	4	35,00,000	
		45,00,000	

Notes to Accounts:

Note No.	Particulars	Amount (₹)
1.	Share Capital	
	<i>Authorised Capital:</i>	
	50,000 Equity shares of ₹ 100 each	50,00,000
	<i>Issued Capital:</i>	
	35,000 Equity shares of ₹ 100 each	35,00,000
	<i>Subscribed and fully paid capital:</i>	
	35,000 Equity shares of ₹ 100 each fully called up	35,00,000
	(10,000 Equity shares issued to vendor against purchase of machinery)	
2.	Long-term Borrowings	
	Term-loan from bank	10,00,000
	(Secured by the issue of 8% Debentures of ₹ 100 each)	
3.	Fixed Assets	
	Machinery	10,00,000
4.	Cash and Cash Equivalents	
	Cash at Bank	35,00,000

23. (A)

In the books of Commerce Adhyayan Ltd.
Journal

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
(i)	Bank A/c Dr. To Equity Share Application A/c (Being application money received on 1,50,000 shares @ ₹ 2 each)		3,00,000	3,00,000
(ii)	Equity Share Application A/c Dr. To Equity Share Capital A/c To Equity Share Allotment A/c To Bank A/c (Being application money adjusted)		3,00,000	1,50,000 1,00,000 50,000
(iii)	Equity Share Allotment A/c Dr. To Equity Share Capital A/c To Securities Premium (Being the allotment money due on 75,000 shares @ ₹ 5 per share including premium of ₹ 2 per share)		3,75,000	2,25,000 1,50,000
(iv)	Bank A/c Dr. To Equity Share Allotment A/c (Being allotment money received, i.e., ₹ 3,75,000 – ₹ 1,00,000 – ₹ 2,750 (WN-i))		2,72,250	2,72,250
(v)	Equity Share First and Final Call A/c Dr. To Equity Share Capital A/c (Being the first and final call money due on 75,000 shares @ ₹ 5 per share)		3,75,000	3,75,000
(vi)	Bank A/c Dr. To Equity Share First and Final Call A/c (Being the first call money received except on 1,750 shares)		3,66,250	3,66,250
(vii)	Equity Share Capital A/c [1750(s) × ₹ 10] Dr. Securities Premium A/c [750(s) × ₹ 2] Dr. To Share Forfeiture A/c {[1250(s) × ₹ 2] + [1000(s) × ₹ 5]} To Equity Share Allotment A/c (WN-i) To Equity Share First and final Call A/c [1750(s) × ₹ 5] (Being shares forfeited for non-payment of allotment and call)		17,500 1,500	7,500 2,750 8,750
(viii)	Bank A/c Dr. Share Forfeiture A/c Dr. To Equity Share Capital A/c (Being 1,000 of the forfeited shares reissued @ ₹ 7 per share fully paid-up)		7,000 3,000	10,000
(ix)	Share Forfeiture A/c Dr. To Capital Reserve A/c (WN-ii) (Being balance of share forfeiture transferred to Capital Reserve A/c)		750	750

Working notes:

$$(i) \text{ No. of Shares Alloted to Dinkar} = 1,250 \times \frac{75,000}{1,25,000} = 750 \text{ Shares}$$

	₹	
Allotment due from Dinkar [750(s) × ₹ 5]	=	3,750
Less: Excess Money Adjusted on Allotment [500(s) × ₹ 2]	=	(1,000)
Allotment unpaid by Dinkar		2,750

(ii) Calculation of Capital Reserve

	₹	
Amount forfeited from Dinkar [1250(s) × ₹ 2]	=	2,500
Less: Loss on reissue of his shares [750(s) × ₹ 3]	=	2,250
Gain on reissue of Dinkar's shares	=	250
Add: Gain on Komal's shares $\left[\frac{₹ 500}{1,000(s)} \times 250(s) - 250(s) \times ₹ 3 \right]$	=	500
Capital Reserve	=	750

∴ Amount forfeited from Komal = (1000(s) × ₹ 5) = ₹ 5,000

Reissue shares of Komal = 1,000 – 750 (Dinkar's Shares) = 250 shares

Or

(B) (i)

Journal of Jayant Ltd.

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
(a)	7% Debentures Allotment A/c [40,000(D) × ₹ 64]	Dr.	25,60,000	
	Loss on Issue of Debentures A/c [40,000(D) × ₹ 11]	Dr.	4,40,000	
	To 7% Debentures A/c [40,000(D) × ₹ 70]			28,00,000
	To Premium on Redemption of Debentures A/c [40,000(D) × ₹ 5]			2,00,000
(Being allotment money due on 7% debentures issued of 6% discount and repayable at 5% premium)				
(b)	Bank A/c	Dr.	25,60,000	
	To 7% Debentures Allotment A/c (Being allotment money received)			25,60,000

(ii) Dr.

Loss on issue of Debentures Account

Cr.

Date	Particulars	Amount (₹)	Date	Particulars	Amount (₹)
Year Beginning	To 7% Debentures A/c	2,40,000	Year Ending	By Statement of Profit and Loss	4,40,000
	To Premium on Redemption of debentures A/c	2,00,000			
		4,40,000			4,40,000

(iii)

Journal

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
	Statement of Profit and Loss	Dr.	2,80,000	
	To Interest on Debentures A/c (Being interest on debentures written off)			2,80,000

24. (A)

In the Books of A, B and C

Dr.

Revaluation Account

Cr.

Particulars	Amount (₹)	Particulars	Amount (₹)
To Stock A/c	500	By Land and Building A/c	2,300
To Provision for doubtful debts A/c (5% of ₹ 5,000 – ₹ 100)	150		
To Outstanding claim for damages A/c	750		
To Profit transferred to Capital A/cs:			
A	375		
B	300		
C	225		
	900		
	2,300		2,300

Dr.

Partners' Capital Accounts

Cr.

Particulars	A (₹)	B (₹)	C (₹)	Particulars	A (₹)	B (₹)	C (₹)
To B's Capital A/c (Goodwill)	1,350	–	4,050	By Balance b/d	25,000	20,000	15,000
To B's Loan A/c	–	25,700	–	By A's Capital A/c (Goodwill)	–	1,350	–
To Balance c/d (Bal. fig.)	24,025	–	11,175	By C's Capital A/c (Goodwill)	–	4,050	–
				By Revaluation A/c	375	300	225
	25,375	25,700	15,225		25,375	25,700	15,225

Working Note: Gaining ratio = New ratio – Old ratio

A's gaining ratio = $1/2 - 5/12 = 1/12$

C's gaining ratio = $1/2 - 3/12 = 3/12$

Or

(B)

In the Book of Sana, Naaz and Kashish

Dr.

Revaluation Account

Cr.

Particulars	Amount (₹)	Particulars	Amount (₹)
To Provision for Bad Debts A/c (₹ 1,750 – ₹ 1,400)	350	By Furniture A/c	1,200
To Stock A/c	1,250	By Loss transferred to Capital A/cs:	
To Machinery A/c	1,400	Sana	900
		Naaz	900
	3,000		1,800
			3,000

Dr.

Partners' Capital Accounts

Cr.

Particulars	Sana (₹)	Naaz (₹)	Kashish (₹)	Particulars	Sana (₹)	Naaz (₹)	Kashish (₹)
To Revaluation A/c	900	900	–	By Balance b/d	35,000	25,000	–
To Furniture A/c	600	600	–	By Cash A/c	–	–	50,000
To Balance c/d (Bal. fig.)	41,375	31,375	50,000	By Premium for Goodwill A/c	3,750	3,750	–
				By Investment Fluctuation Reserve A/c	4,125	4,125	–
	42,875	32,875	50,000		42,875	32,875	50,000

25.

**In the Books of Lata and Dheeraj
Journal**

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
(i)	Realisation A/c To Lata's Capital A/c (Being payment of creditors by Lata)	Dr.	18,500	18,500
(ii)	Realisation A/c To Dheeraj's Capital A/c (Being wife's loan taken over by Dheeraj)	Dr.	70,000	70,000
(iii)	Cash/Bank A/c To Realisation A/c (Being realisation of unrecorded investments)	Dr.	1,60,000	1,60,000
(iv)	Lata's Capital A/c To Realisation A/c (Being stock taken over by Lata at 10% discount)	Dr.	90,000	90,000
(v)	Cash/Bank A/c To Realisation A/c (Being bad debts recovered)	Dr.	1,400	1,400
(vi)	Realisation A/c To Dheeraj's Capital A/c (Being expenses of realisation paid by Dheeraj)	Dr.	4,900	4,900

26. (i) (c) 3,70,000 shares (ii) (a) 3,55,000 shares (iii) (c) ₹ 42,000
 (iv) (b) ₹ 8,000 (v) (d) ₹ 24,000 (vi) (d) ₹ 28,72,000

27. (A) (c) Inflow of ₹ 8,000

Or

(B) (b) An outflow of ₹ 7,50,000

28. (d) Current liabilities

29. (A) (d)(A) is incorrect but (R) is correct.

Or

(B) (a) $80\% \left[\frac{₹ 7,20,000}{₹ 9,00,000} \times 100 \right]$

30. (c) Financing Activities

31. (i) Examples of revenue incomes other than Sales and Interest Received:

(a) Dividend Received

(b) Rent Received

(ii) Disclosure of Loss on Sale of Asset:

Statement of Profit and Loss under "Other Expenses / Loss on Sale of Assets"

(iii) Disclosure of Purchase of Office Equipment:

Balance Sheet under "Non-Current Assets / Property, Plant & Equipment"

32. (A)

Common-Size Income Statement
for the year ended 31st March, 2024 and 2025

Particulars	Note No.	Absolute value		Percentage of Revenue from Operations	
		31st March 2024 (₹)	31st March 2025 (₹)	31st March 2024	31st March 2025
I. Revenue from Operations		6,00,000	9,00,000	100%	100%
II. Other Income		1,20,000	1,08,000	20%	12%
III. Total Revenue		7,20,000	10,08,000	120%	112%
IV. Expenses:					
Cost of Material Consumed		3,00,000	5,40,000	50%	60%
Other expenses		60,000	60,000	10%	6.6%
V. Total Expenses		3,60,000	6,00,000	60%	66.6%
VI. Profit before Tax (III – V)		3,60,000	4,08,000	60%	45.33%
VII. Less: Tax		1,44,000	1,63,200	24%	18.13%
VIII. Profit after Tax (VI – VII)		2,16,000	2,44,800	36%	27.2%

Or

33. (B)

Comparative Balance Sheet of Nayak Ltd.
as at 31st, March, 2025

Particulars	Note No.	31.3.2024 (₹)	31.3.2025 (₹)	Absolute Change (₹)	Percentage Change (₹)
I. Equity & Liabilities					
1. Shareholder's Fund					
Share Capital		4,00,000	6,00,000	2,00,000	50
2. Non-Current Liabilities					
Long-Term Borrowings		1,50,000	2,25,000	75,000	50
3. Current Liabilities					
Trade Payables		50,000	75,000	25,000	50
Total		6,00,000	9,00,000	3,00,000	50
II. Assets					
1. Non-Current Assets					
Property, Plant & Equipment & Intangible Assets		4,50,000	6,75,000	2,25,000	50
2. Current Assets					
Inventories		1,00,000	1,50,000	50,000	50
Cash & Cash Equivalents		50,000	75,000	25,000	50
Total		6,00,000	9,00,000	3,00,000	50

$$33. (A) (a) \quad \text{Interest Coverage Ratio} = \frac{\text{Profit before Interest and Tax}}{\text{Interest on Long Term Debt}} = \frac{\text{₹ } 19,60,000}{\text{₹ } 3,60,000} = 5.44 \text{ times}$$

Working notes:

(i) Calculation of amount of interest.

(a) Interest on Debentures @ 12% on ₹ 20,00,000 = ₹ 2,40,000

(b) Interest on Loan from IDBI @ 10% on ₹ 12,00,000 = ₹ 1,20,000

Total Interest ₹ 2,40,000 + ₹ 1,20,000 = ₹ 3,60,000

$$(ii) \text{ Profit before Tax} = ₹ 9,60,000 \times \frac{100}{60} = ₹ 16,00,000$$

$$(iii) \text{ Profit before Interest} = ₹ 16,00,000 + ₹ 3,60,000 = ₹ 19,60,000$$

$$(b) \text{ Net Profit Ratio} = \frac{\text{Net Profit} \times 100}{\text{Revenue from Operations}}$$

Calculation of Net Profit:

If total Revenue from Operations is ₹ 100.

Cash Revenue is ₹ 10 and Credit Revenue from Operations is ₹ 90.

If Credit Revenue is ₹ 18,00,000, Total Revenue is ₹ 20,00,000.

Gross Profit 25% of ₹ 20,00,000 = ₹ 5,00,000

Net Profit = ₹ 5,00,000 – Indirect expenses ₹ 50,000 = ₹ 4,50,000

$$\text{Net Profit Ratio} = \frac{₹ 4,50,000}{₹ 20,00,000} \times 100 = 22.5\%$$

Or

(B) (a) Net Profit Before Interest and Tax = Profit after Tax + Tax + Interest

$$\text{Profit before Tax} = \frac{₹ 6,00,000}{80} \times 100 = ₹ 7,50,000$$

Profit Before Interest and Tax = ₹ 10,00,000

Interest = Profit Before Interest and Tax – Profit Before Tax

$$= ₹ 10,00,000 - ₹ 7,50,000 = ₹ 2,50,000$$

$$\text{Rate of Interest} = \frac{₹ 2,50,000}{₹ 25,00,000} \times 100 = 10\%$$

(b) S. No.	Effect on Ratio	Reason
(i)	No change	No change in both current assets and current liabilities
(ii)	Decline	Current assets decrease with no change in current liabilities
(iii)	Improve	Current assets increase with no change in current liabilities
(iv)	Improve	Current assets increase with no change in current liabilities

34.

Cash Flow Statement of Gama Ltd.

for the year ended 31st, March, 2025

S. No.	Particulars	Amount (₹)	Amount (₹)
A.	Cash Flow from Operating Activities		
	Net Profit before Tax and Extraordinary Items	1,10,000	
	<i>Add:</i> Non-Cash and Non-Operating Charges:		
	Goodwill written off	72,000	
	Depreciation on machinery	66,000	
	Loss on sale of machinery	2,000	
	Operating profit before working capital changes	2,50,000	
	<i>Less:</i> Increase in Current Assets and decrease in Current Liabilities:		
	Increase in trade receivables	(27,000)	
	Increase in inventories	(8,000)	
	Decrease in trade payables	(25,000)	
	Decrease in short-term provisions	(27,000)	
	Cash generated from Operating Activities	1,63,000	1,63,000

B.	Cash Flow from Investing Activities		
	Purchase of machinery	(2,94,000)	
	Sale of machinery	6,000	
	Cash used in investing activities	(2,88,000)	(2,88,000)
C.	Cash Flow from Financing Activities		
	Issue of share capital	1,00,000	
	Money raised from borrowings	70,000	
	Dividend paid	(10,000)	
	Cash flow from financing activities	1,60,000	1,60,000
D.	Net increase in cash and cash equivalents		35,000
E.	Add: Opening balance of cash and cash equivalents		5,25,000
F.	Closing balance of cash and cash equivalents		5,60,000

Working Notes:

(i) Net Profit before Tax and Extraordinary Items	(₹)
Surplus on 31st March 2025	3,00,000
Less: Surplus on 31st March 2024	(2,00,000)
	<u>1,00,000</u>
Add: Proposed dividend of 2024	10,000
Net profit before tax and extraordinary items	<u>1,10,000</u>

(ii) **Dr. Machinery Account Cr.**

Particulars	Amount (₹)	Particulars	Amount (₹)
To Balance b/d	10,00,000	By Bank A/c	6,000
To Bank A/c (Bal. fig. being purchase)	2,94,000	By Accumulated Depreciation A/c	16,000
		By Statement of Profit and Loss	2,000
		By Balance c/d	12,70,000
	<u>12,94,000</u>		<u>12,94,000</u>

(iii) **Dr. Accumulated Depreciation Account Cr.**

Particulars	Amount (₹)	Particulars	Amount (₹)
To Machinery A/c	16,000	By Balance b/d	1,50,000
To Balance c/d	2,00,000	By Depreciation A/c (Bal. fig.)	66,000
	<u>2,16,000</u>		<u>2,16,000</u>

(iv) Cash and Cash Equivalents:

	31.3.2025 (₹)	31.3.2024 (₹)
Cash and Bank	3,20,000	3,75,000
Current Investments	2,40,000	1,50,000
	<u>5,60,000</u>	<u>5,25,000</u>