

Problem 1:

The following is the Balance Sheet of a company as on 31st March:

<i>Liabilities</i>	<i>Rs.</i>	<i>Assets</i>	<i>Rs.</i>
Share Capital	2,00,000	Land and Buildings	1,40,000
Profit & Loss Account	30,000	Plant and Machinery	3,50,000
General Reserve	40,000	Stock	2,00,000
12% Debentures	4,20,000	Sundry Debtors	1,00,000
Sundry Creditors	1,00,000	Bills Receivable	10,000
Bills Payable	50,000	Cash at Bank	40,000
	8,40,000		8,40,000

Calculate :

- (1) Current Ratio
- (2) Quick Ratio
- (3) Inventory to working Capital
- (4) Debt to Equity Ratio
- (5) Proprietary Ratio

Problem 6:

Ram & Company supplies you the following information regarding the year ended 31st December:

Cash Sales	Rs. 80,000
Credit Sales	Rs. 2,00,000
Return Inward	Rs. 10,000
Opening Stock	Rs. 25,000
Closing Stock	Rs. 30,000
Gross Profit Ratio is 25%	
Find out Inventory Turnover.	

(B.Com. Madurai)

Problem 2:

From the following particulars found in the Trading, Profit and Loss Account of A Company Ltd., work out the operation ratio of the business concern:

TRADING ACCOUNT OF A COMPANY LTD.
for the period ending December 31

<i>Dr.</i>		<i>Cr.</i>	
<i>Expenses</i>	<i>Rs.</i>	<i>Incomes</i>	<i>Rs.</i>
To Opening Stock	1,400	By Net Sales	10,000
To Purchases	6,400	By Closing Stock	600
To Direct Expenses	300		
To Gross Profit	2,500		
	10,600		10,600

PROFIT AND LOSS ACCOUNT OF A COMPANY LTD.
for the period ending December 31

<i>Dr.</i>		<i>Cr.</i>	
<i>Expenses</i>	<i>Rs.</i>	<i>Incomes</i>	<i>Rs.</i>
To Operating Expenses:		By Gross Profit	2,500
(a) Administrative Expenses	1,600		
(b) Selling and Distribution Expenses	300		
To Financial Expenses	100		
To Net Profit	500		
	2,500		2,500

