

SECTION - C

Answer any three questions from the following questions. Each question carries $(3 \times 14 = 42)$ fourteen marks.

7. The Balance sheets of M/S Pavan Corporation Ltd. as at 31-12-2020 and 31-12-2021 stood as follows

Share Capital 10,00,000 10,00,000 Buildings 2,00,000 Reserves 2,00,000 2,00,000 Plant 7,00,000 8,00,000 P and L A/c 1,00,000 1,10,000 Debtors 2,50,000 3,55,000 Debentures 4,00,000 4,00,000 Stock 5,00,000 4,00,000 Sundry Creditors 2,50,000 2,00,000 Bank 3,70,000 1,22,0000 Preliminary Preliminary 10,000 Expenses 10,000 8,00,000 Reserve for 50,000 40,000 Expenses 10,000 8,00,000 Reserve for 50,000 35,000		Liabilities	2020 ₹	2021 ₹	Assets	2020 ₹	2021	
Reserves 2,00,000 2,00,000 Plant 7,00,000 8,00,000 Plant 7,00,000 3,55,000 Plant 7,00,000 A,00,000 Plant 7,00,000 Plant 7,00,0		Share Canital		10,00,000	Buildings	2,00,000	3,00,000	
P and L A/c 1,00,000 1,10,000 Debtors 2,50,000 3,55,00 Debentures 4,00,000 4,00,000 Stock 5,00,000 4,00,000 Sundry Creditors 2,50,000 2,00,000 Bank 3,70,000 1,22,000 Reserve for Preliminary Expenses 10,000 8,000 Reserve for 30,000 35,000				2,00,000	Plant	7,00,000	8,00,000	
Debentures 4,00,000 4,00,000 Stock 5,00,000 4,00,000 Stock 3,70,000 1,22, Sundry Creditors 2,50,000 2,00,000 Bank 3,70,000 1,22, Preliminary Preliminary 50,000 40,000 Expenses 10,000 8, Reserve for 30,000 35,000 20,000 19,85	0			1,10,000	Debtors	2,50,000	3,55,000	
Sundry Creditors 2,50,000 2,00,000 Bank 3,70,000 1,22, Reserve for Preliminary Doubtful debts 50,000 40,000 Expenses 10,000 8, Reserve for 30,000 35,000				4,00,000	Stock	5,00,000	4,00,000	
Reserve for Doubtful debts 50,000 40,000 Expenses 10,000 8, Reserve for 30,000 35,000			1110	2,00,000	Bank	3,70,000	1,22,000)
Depn. on plant 30,000 05,000	A SAIN F	Reserve for		40,000		10,000	8,000)
20,30,000 19,85,000 20,30,000 13,50	563 1	0 / 5 /				20,30,000	19,85,00	0

Other Information :

- 1) The following adjustments were made before arriving at the net profit during 2021.
 - a) Preliminary Expenses were written off by ₹ 2,000.
 - b) A plant worth ₹ 50,000 was sold for ₹ 30,000 and the accumulated depreciation on this plant was ₹ 30,000.
 - c) Adjustment regarding reserve for doubtful debts was also made.
- 2) The dividend paid during the year was ₹ 50,000.

Prepare a statement showing the source and application funds (FFS) and a statement showing charges in working capital.