

COMMERCE

PRACTICAL

FILE

B.COM

2ND.SEM

Topic

Date

# Notes

NAME - BUTA SINGH

ROLL NO. - 21010115450001

CLASS - 1 YEAR

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∴ Meaning of Commerce :-

Commerce is a branch of business. It is concerned with the exchange of goods and services. It includes all those activities, which directly or indirectly facilitate that exchange.

Commerce looks after the distribution aspect of the business. Whatever is produced it must be consumed, to facilitate this consumption there must be a proper distribution channel.

Definition of Commerce ⇒ According to James Stephenson, "Commerce is an organized system for the exchange of goods between the members of the industrial world."

Commerce is defined as the exchange of goods and services between two or more entities. It typically involves buying and selling things of value. Commerce can take place between business, between consumers or between business and consumer.

Importance of Commerce ⇒ The importance of Commerce are mentioned in following points :-

- 1) Commerce tries to satisfy increasing human wants :- Human wants are never-ending, they can be classified as 'Basic Wants' and Secondary wants. Commerce has made distribution and movement of goods possible from one part of the world to the other.

They we can buy anything produced anywhere in the world. This has, in turn, enabled man to satisfy his innumerable wants and thereby promoting social welfare.

2) Commerce helps to increase our standard of living! → Standard of living refers to the quality of life enjoyed by the members of society. When man consumed more products his standard of living improves. To consume a variety of goods he must be able to secure them first. Commerce helps us to get what we want at the right time, right place and at the right price and thus helps in improving our standard of living.

3) Commerce links producers and consumers! → Production is meant for ultimate consumption. Commerce makes possible to link, Producers and Consumers through retailers and wholesalers and also through the aids to trade. Consumers get information through advertisements and salesmanship about different goods. This commerce gets contact between the centers of Production and Consumption and links them.

4) Commerce generates employment opportunities! → The growth of Commerce, industry, and trade being about the growth of agencies of the trade such as banking, transport, warehousing, advertising etc. These agencies need people to look after their functioning. Increasing in production results in

increasing demand with further results boosting employment opportunities.

5) Commerce helps in growth of industrial development:-  
 Commerce looks after the smooth distribution of goods and services made available by the industry. Without commerce, the industry will find it difficult to keep the pace of production. It helps to increase the demand of goods on one hand, on the other hand it helps industry by getting them the necessary raw materials and other services.

6) Commerce increases national income and wealth :-  
 When production increases the national income also increases. In a developed country, manufacturing industries and commerce together accounts for nearly 80% of total national income. It also helps to each foreign exchange by way of exports and duties levied on imports. Thus the commerce increases the national income and wealth of nation.

7) Commerce helps in expansion of aids to trade  $\Rightarrow$  With the growth of trade and commerce there is a growing need. Aids publicity, transport, commerce communication, advertising and insurance etc. are expanded and modernized for the smooth conduct of commerce.

8) Commerce benefits understand competitiveness :-  
 Through Commerce we can secure a fair and equitable distribution of goods throughout the world. with the help of transport and communication development countries can exchange their surplus commodities and earn foreign exchange. which is very useful for importing machinery and sophisticated technology.

9) Commerce helps during emergencies :-  
 During emergencies like floods, earthquakes, and wars Commerce helps in reaching the essential requirements like food stuff, medicines and relief materials to the affected areas.

### Branch of Commerce

#### Commerce

#### a) Trade

##### A) Internal

- i) Wholesale
- ii) Retail

##### B) External

- > i) Import
- ii) Export
- > iii) Entrepot

#### a) Aids to Trade

- A) Transport ←
- B) Warehousing ←
- C) Distribution ←
- D) Advertising ←
- E) Insurance ←
- F) Banking ←

Trade :-> Trade is any exchange or sale of goods and services between two or more parties. There are two primary types of trade - internal and external.

i) Internal Trade :-> refers to trade that takes place within a single country's borders. These internal sales can be either wholesale or retail.

Wholesale trade :-> wholesale trade occurs when a retailer buys a product from a manufacturer for eventual resale to consumers.

ii) Retail Trade :-> Retail trade is the sale of productions from retailers to the end consumers.

o) External Trade :-> External Trade refers to trade that takes place between entities in different countries. For example, if a factory in the United States buys parts from a manufacturer in China that's external trade.

There are three types of external trade:-

i) Import :-> Import refers to the purchase of goods from another country.

ii) Export :-> Export refers to the sale of goods to another country.

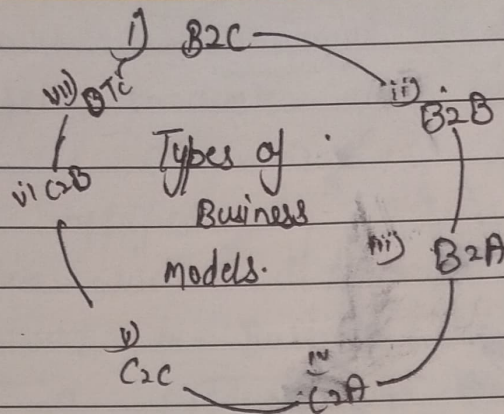
2) Aids to trade :-> Aids to trade all the activities that assist in the process of trade. These include.

o) Transport :- Transport is the process of moving products from one location to another, whether raw material moving from to consumers.



- B) Warehousing :-> warehousing involves the storage of goods before they are shipped and transported to another entity.
- C) Distribution :-> Distribution occurs when goods are sold from one entity to another - manufacturers distribute to wholesalers, wholesalers distribute to retailers, and retailers distribute to consumers.
- D) Advertising :-> Advertising is used to make buyers aware of the goods and services offered by sellers - and convince them to buy those goods and services.
- E) Insurance :- Insurance alleviates some of the risks associated with the trade process.
- F) Banking :-> Banking provides the financing necessary to bridge the gap between when an item is produced and when it is purchased and to help keep a business open.

Commerce Business Models :- There is no one type of buying from other business. Commerce, consumers buying from businesses is another form, Today we identify seven primary Commerce. Business models as detailed below. Physically or online in an e-commerce platform. In addition some of these business models can be combined to create a Commerce Chain from production all the way through to the end consumers.



i) B2C: Business-to-Consumer  $\Rightarrow$  The business-to-consumers (B2C) models is probably the one people are most familiar with. It refers to any instance where a business sells a product or services. B2C Commerce, as are online retailers such as Amazon.

ii) B2B: Business-to-Business  $\Rightarrow$  When a business sells a product or service to another business that's business-to-business Commerce. With B2B Commerce; the business doing the buying often resells the product or services to consumers, creating a B2B2C chain.

iii) B2A: Business-to-Administration  $\Rightarrow$  Business-to-Administration, (B2A) Commerce occurs when a business sells a product or service to a local, state, or federal government agency. B2A Commerce is some time referred to B2A as B2C or business-to-government Commerce.

iv) C2A: Consumers-to-Administration  $\Rightarrow$  Individuals can also provide products or services to government when this occurs, it's called Consumers-to-Administration (C2A).

- v) C2C : Consumer - to - Consumer :- oftentimes, individual consumers sell products and services to another consumer. This is consumer - to - consumer (C2C) commerce, as typified by stores enabled through online marketplace such as craigslist and ebay.
- vi) C2B : Consumer - to - Business :- When an individual consumer sells a product or services to a business or otherwise provides value to a business. that's called consumer - to - consumer commerce.

C2B Commerce doesn't have to include more tax payments to the consumer. for example a consumer contribution to a focus group for a business is engaging in C2B commerce.

- vii) DTC :- Direct - to - Consumer :-

This commerce business models occurs when a consumer buys a product or service directly from a manufacturer bypassing the retailers. This is called direct - to - consumer (DTC) commerce and essentially cuts out the middleman.

AGREEMENT FOR HIRE PURCHASE OF A MOTOR VEHICLE

THIS AGREEMENT made at ..... this ..... day of ..... 2000,  
between A son of B resident of ..... (hereinafter called "the owners") of the  
ONE PART and C son of D resident of ..... (hereinafter called "the  
hirer") of the OTHER PART.

WHEREAS the owner is the owner of a motor vehicle, more particularly  
described in the Schedule hereto and the hirer has approached the owner to let  
the said vehicle on hire to him, to which the owner has agreed and has assured  
the hirer that he shall have and enjoy quiet possession of the said vehicle.

AND WHEREAS the owner has further assured the hirer that he shall  
have the right to sell the said vehicle at the time the property is to pass and the  
said vehicle is free from any charge or encumbrances in favour of any third party  
at the time when the property is to pass.

AND WHEREAS the hirer has inspected the said vehicle and is satisfied  
about the same and considers it fit for the purposes for which he requires the

# Super Co pvt ltd

## Tax invoice

1702 Vashi Tech Park  
Plot 10, Sector 30A,  
Vashi,  
Navi Mumbai 400703

Invoice number INV-001

Bill date 31-Jul-2021

GST number 27ABCD1234B2ZH

### Bill To

Customer name Type here

Invoice Date 14-Jul-2021

Customer address Type here

Due Date 31-Jul-2021

Customer phone Type here

Customer GST# Type here

ID	Description	HSN code	Quantity	Rate	Amount
1	First product			3000	15000

Sub total 15000

Discount

Tax Rate 18%

Tax 2700

Shipping 0

Previous dues 0

**Total**

Thank you for your business!

### Payment Details

Account name: Super Co Pvt Ltd

Account number: 9876543210

Bank name: HDFC Bank

Branch: HDFC0000001

## Accounting Concept and Conventions

As per Accounting Standard CAS-1 :- Issued by the Institute of Chartered Accountants of India. there are three fundamental accounting concepts assumptions:

- 1) Going Concern Concept
- 2) Consistency Concept
- 3) Accrual Concept

4) Fundamental accounting concepts and assumptions the assumptions which are presumed to have followed in preparing the financial statement other Accounting Concepts.

- 4) Business Entity Concept
- 5) Money measurement Concept
- 6) Accounting Period concept
- 7) Cost Concept or historical cost concept
- 8) Dual Aspect concept
- 9) Revenue Recognition Concept
- 10) Matching concept
- 11) Objectivity concept

1. Going concern concept :- As per this concept it is assumed that the business will continue to exist for a long period in the future. The transactions are recorded in the books of business on the ~~assumed~~ <sup>assumption</sup> that it is a continuing enterprise. It is on this concept that we record fixed assets at their original cost and depreciation charged on these assets without reference to their market value. For example if a machinery is purchased which would last say for that next 10 years for calculating the net profit as loss each year. Because of the concept going concern the full cost of the machine would not be treated as expense in the years of purchase itself. The market value of fixed assets is irrelevant and is not recorded in the ~~balance sheet~~ <sup>trialsheet</sup>; as these assets are not going to be sold in the near future.

2) Consistency concept :- This concept states that accounting principle should remain consistent from one year to another. These should not be changed in year to year in order to enable the management to compare the profit and loss account and balance sheet of the different periods and draw conclusions about the working of enterprise. If a firm adopt different accounting

Principal in two accounting periods, Profit of current year is not comparable with the Preceding years, for example a firm can choose any one of the several methods of depreciation, i.e. straight line method, and any other methods. Written down value method and any other debts should remain consistent with the previous years otherwise the decisions taken on the basis of accounts will be misleading.

But the consistency concept should not be taken to mean it does not allow to form for change the accounting method according the accounting will become non-flexible and the improved techniques or accounting will not be used.

3) Accrual concept :-> In accounting accrual basis is used for recording of transaction, it provides more appropriate information about the performance of the business enterprises as compared to cash basis. Accrual concept apply equally to revenue or expense. In accrual concept revenue is recorded when sale are made or services are rendered it is immaterial whether cash received or not. Similarly, according to this concept expenses are recorded in the accounting period in which they exist in in earning the revenue whether the cash is paid for them.



5) Money measurement concept :- only those transactions and events are recorded in accounting which are capable of being expressed in terms of money. An event, even though it may be very important for the business, will not be recorded in the books of business unless its effect cannot be measured in the terms of money, with a fair degree of accuracy. For example, accounting does not record a quarrel between production and sales managers; it does not report that a strike is beginning and it does not reveal that a competitor has placed a better product in the market. These facts or happenings cannot be expressed in money terms and thus are not recorded in the books.

It should be remembered that money is the only measurement which enables various things of diverse nature to be added up together and dealt with. For example, a business, on a particular day, has ₹ 5000 in cash, 500 kilograms of raw materials, 1000 kg of finished goods. All these things cannot be added up unless expressed in terms of money. In order to make record these items will have to be expressed in the money terms. Such as cash ₹ 50000; raw material ₹ 50000; finished goods ₹ 50000; machines 200000.

Past, it is referred to as historical cost. This asset cost basis valuation of the assets in the Financial Statements. For example if a business entity purchase a building for ₹ 900000 it would ordinarily recorded in the books of accounts however, the cost concept or historical cost concept does not mean that asset will be continuously shown their acquisition price for as long as the business entity owns them. the assets are shown in the balance sheet at cost less depreciation.

8) Dual Aspect Concept :- According to this concept every business transaction is recorded as having a dual aspect. In other words, every transaction affects at least two accounts must be audited. The system is recording transaction based on this accept is called that the two sides of the Balance sheet are always equal and following equation will always hold good at any point of time :-

$$\text{Assets} = \text{Liabilities} + \text{Capital}$$

$$₹ 25 \text{ Lakhs} = 25 \text{ Lakhs} + 200 \text{ Lakhs}$$

Revenue Recognition (Realisation) Concept :-

Revenue means the amount which is added to the capital as a result of business operations. Revenue is earned by the sale of goods or by providing a service.

## 2. Aids to trade

→ Aids to trade are all the activities that assist in the process of trade. These include:

### i) Transport

→ Transport is the process of moving products from one location to another, whether raw materials moving from a supplier to a manufacturer or finished goods moving from a retailer to a consumer.

### ii) Warehousing

→ Warehousing involves the storage of goods before they are sold and transported to another entity.

### iii) Distribution

→ Distribution occurs when goods are sold from one entity to another - manufacturers distribute to wholesalers, wholesalers distribute to retailers, and retailers distribute to consumers.

### iv) Advertising

→ Advertising is used to make buyers aware of the goods and services offered by sellers and convince them to buy these goods and services.

### v) Insurance

→ Insurance alleviates some of the risks associated with the trade process.

### vi) Banking

→ Banking provides the financing necessary to

Concept Revenue is deemed to be realised when the little or the purchase amount. It should be remembered that revenue recognition is not related with the receipt of Cash. There are few exceptions of this rule of revenue recognition.

- i) In case of sales of instalment basis; the amount collected in instalments is treated as realised.
- ii) In case of long-term construction Projections it is difficult to postpone the revenue till the completion of full contract.
- iii) In case of mining revenue is recognition in the accounting period when production is made even though a sale has not been made.

Matching Concept :- This concept is very important for correct determination of net profit. According to this concept, the net profit from the business operations, all cost which are application to revenue. According to matching concept of revenue first revenue should be recognised and then costs incurred for generating revenue should be recognised following points must be considered while matching cost with revenue.

- i) When an item of revenue is included in the profit and loss account, all expenses incurred on it, whether paid or not, should be shown as expenses in the profit and loss account.

## Notes

2) When some expense, say insurance premium is paid relating to the next year will be shown as an expenses only next year and not this year.

3) Similarly incomes receivable must be added to revenue and incomes received in advance must be deducted from revenues.

1) Objectivity Concept :- This concept requires that accounting transaction should be objective management or the accountant who prepares the accounts. It possible only when each transaction is supported by verifiable documents and vouchers such as cash means; invoices, sales bill, Ray-in-ship goods are purchased for cash the transaction must be supported by cash slip for many Paid. and if the goods are purchase on credit, the transaction, must be supported by Purchase invoice or delivery challan. The cash receipt or invoice are documentary evidence of the transaction because cost actually paid for an asset can be verified by document.

Accounting Conventions :- An accounting convention may be defined as a custom or generally accepted practice which is adopted either by general agreement or common consent among accounts. According conventions are following types.

## Accounting Conventions :- types :-

- i) Convention of full Disclosure
- ii) Convention of materiality
- iii) convention of conservatism (Prudence)

1) Convention of full Disclosure :- This convention requires that all significant information relating to the economic affairs of the enterprise should be completely disclosed. In other words, there should be a sufficient disclosure of information which is of material interest to the users of the financial statements. Such as proprietors, present and potential condition investors and others.

2) Convention of materiality :- This convention is exceptions to the convention of full disclosure. According to this convention, items having an insignificant man effect or being irrelevant to the user need not be disclosed. These unimportant items are either left out or merged in other items, otherwise accounting statements will be unnecessarily overburdened.

American Accounting Association (AAA)

defines the term materiality as under:-

"An item should be regarded as material if there is a reason to believe that knowledge of it would influence decision of informed investor."

### 3) Convention of Conservations or Prudence :-

According to this convention, all anticipated losses should be recorded in the books of accounts, but all anticipated or unrealized gains should be ignored. In other words, conservatism is the policy of playing safe. Provisions is made for all known liabilities and losses even though the amount cannot be determined with certainty. Following are examples :-

- i) Closing stock valued at cost or realisable value whichever is less.
- ii) Provision of doubtful debts is created in anticipated of actual bad debts.
- iii) Joint life insurance policy is shown only at surrender value as against the amount paid.
- iv) Provision for Pending law suit against the firm which may either be decided in its favour.

Effect of Convention of Conservatism :- The convention of conservation should be used very cautiously, otherwise it will have two effects.

- i) Profits and Loss Account will disclose lower profits in comparison actual profits.
- ii) Balance sheet will disclose understatement of assets and overstatement of liabilities in comparison to the actual value.

Aids to trade such as banking, communication, advertising and publicity, transport, insurance etc are expanded and modernized for the smooth conduct of commerce.

8. Commerce encourages international trade! -

Through commerce we can secure a fair and equitable distribution of goods throughout development countries can exchange their surplus commodities and earn foreign exchange, which is very useful for importing machinery and sophisticated technology.

9. Commerce benefits underdeveloped countries! -

Underdeveloped countries can import skilled labour and technical know how from developed countries. While advanced countries can import raw materials from underdeveloped countries.

10. Commerce helps during emergencies! -

During emergencies like floods, earthquakes and wars commerce helps in reaching the essential requirements like foodstuff, medicines and relief measures to the affected areas.



- 12) Commercial invoices
- 13) Recurring invoices
- Invoice formats
- 14) Digital invoices
- 15) E-invoices

What should an invoice include?

The specific things to be added to yours depend on the industry you are in, region, specific regulations, and the type of work you do. But here are some common things that should be included in any invoice.

1. The word "Invoice"
2. Unique invoice number
3. Tax ID (if applicable)
4. Seller name, address, and contact details.
5. Buyer name, address, and contact details.
6. Date of delivery of products or services
7. Date of sending the invoice.
8. Description of services or products including quantity, cost per unit, and total item cost.
9. Total amount charged including tax information
10. Payment terms.
11. Payment options.
12. Purchase order number (if any)
13. Terms and conditions related to late fees, payment processing fees, return / replacement

# INVOICE

#1024

**BILLED TO:** Really Great Company  
**PAY TO:** Avery Davis  
123 Anywhere St., Any City  
123-456-7890

Bank Really Great Bank  
Account Name John Smith  
BSB 000-000  
Account Number 0000 0000

DESCRIPTION	RATE	HOURS	AMOUNT
Content Plan	\$50/hr	4	\$200.00
Copy Writing	\$50/hr	2	\$100.00
Website Design	\$50/hr	5	\$250.00
Website Development	\$100/hr	5	\$500.00
SEO	\$50/hr	4	\$200.00
Sub-Total			\$1,250.00
Package Discount (30%)			\$375.00
<b>TOTAL</b>			<b>\$875.00</b>

Payment is required within 14 business days of invoice date. Please send remittance to [hello@reallygreatsite.com](mailto:hello@reallygreatsite.com).

Thank you for your business.

- of goods purchasing fees, and so on.
14. Thank you / Personalized note.

## Debit Note

A debit note is a confirmation document sent by a buyer for returning purchased goods or services to a seller. In all a percentage of goods have defects, buyers send this memo. A note is also sent when the buyer is overcharged for the goods.

### Debit Note Format

1. Company name (Issuer).
2. Issuer's address, zip code, phone number, and used address.
3. Date of creating the debit memo.
4. Order number for which it is issued.
5. Date of placing the order.
6. Order terms and conditions.
7. Customer Id - as stated in the invoice.
8. Company name (Buyer).
9. Buyer's address, zip code, Ph. number, email - id.
10. Name of contact person (Buyer).
11. Invoice details - items, name, item description.

COMPANY NAME:  
ADDRESS:  
PHONE:

# Debit Note

INVOICE NR.:

DATE:

TO:  
NAME:  
COMPANY NAME:  
ADDRESS:  
PHONE:

SHIP TO:  
NAME:  
COMPANY NAME:  
ADDRESS:  
PHONE:

COMMENTS / SPECIAL INSTRUCTIONS:

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
<a href="http://www.AccountingCapital.com">www.AccountingCapital.com</a>			

SUBTOTAL:  
SALES TAX:  
SHIPPING & HANDLING:  
TOTAL DUE:

\_\_\_\_\_  
AUTHORIZED SIGNATURE

Make all checks payable to:  
Payment is due within 30 days.  
If you have any questions concerning this invoice, contact:  
Thank you for your business!

DRAFT as of December 2013

**3. Outline of Parent, Subsidiaries and Associated Companies**

Provide information on each of the company's subsidiaries and associated companies which account for 10% or more of the absolute amount of the net assets, net liabilities or profit or loss before tax, respectively, of the group for any of the two most recent financial years, including its name, country of incorporation or residence, principal place of business, principal activities and proportion of ownership interest.

**4. Conditions of Employees**

Disclose the information on the latest company's employees, such as number of employees, categories of employees and age of employees, etc.

As at the end of the latest financial year, there were [ ] employees consisting of:

- Full time employees: [ ]
- Part time employees: [ ]
- Contract employees: [ ]

Provide the table of the professional qualification and age of the employees as at the latest account closing date, if applicable.

DRAFT as of December 2013

**5. Material Contracts**

Provide a summary of each material contract, other than contracts entered into in the ordinary course of business, to which the company or any member of the group is a party, for the two years immediately preceding the date of the Prospectus, including dates, parties, general nature of the contracts, terms and conditions, and amount of any consideration passing to or from the company or any other member of the group.

**6. Property, Plant and Equipment**

Provide information regarding any material tangible fixed assets, including leased properties, and any major encumbrances thereon, including a description of the size and uses of the property; productive capacity and extent of utilization of the company's facilities for each of the last two financial years; how the assets are held; the products produced; and the location.

Describe any regulatory requirements and environmental issues that may materially affect the company's utilization of the assets. With regard to any material plans to construct, expand or improve facilities, describe the nature of and reason for the plan, an estimate of the amount of expenditures including the amount of expenditures already paid, a description of the method of financing the activity, the estimated dates of start and completion of the activity, and the increase of production capacity anticipated after completion.

**7. Research and Development**

Provide a description of the company's research and development policies for the last two financial years, where it is significant, including the amount spent during each of the last two financial years on company-sponsored research and development activities.

**8. Other Related Business**

Describe any relevant information on other business lines relating to environmental and social impact issues, if applicable.

# CREDIT NOTE

Ref No: CO/20-211

Date: 19/03/2020

Buyers Ref No: 123456 Dated 19/03/2020 07:21 PM

From

Delivery Terms:

Test Pinnove  
 Test Regency, Daga layout, Nagpur, Maharashtra, 440011, India  
 E: 97544097654

Payment Terms:

To  
 Sataji Clothing  
 Telephone Exchange, Banaras, Uttar Pradesh, 221007, India

Buyer / Notify Party

Sr No.	Description of Goods	Packaging	Packs	Quantity	Rate	Amount
	Formal Pants	10pack 10pairs per package	1.00 CTN	100.00 Pairs	₹ 20.00 sgst (2%)	₹ 2,000.00 ₹ 40.00
<b>Summary</b>			Packs: 1.00 CTN	<b>Total Product Cost</b>		₹ 2,000.00
			Net Quantity: 100.00 Pairs	sgst		₹ 40.00
			Gross Quantity: 120.00 Pairs	<b>Gross Total</b>		₹ 2,040.00
				Demurrage		₹ 1.00
				<b>Total Amount</b>		₹ 2,041.00

Amount Chargeable: Two Thousand Sixty-Five Rupees And Zero Paise Only



**Declaration**

- We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct

Authorized Signator  
(TEST PINNOVE)

## Share Certificate

Share Certificate is a document issued by the Company to their member who have purchased the shares. As per section 46 of the Companies Act 2013 "a share Certificate is a Certificate issued under the common seal, if any has appointed a Company Secretary, specifying the shares held by any person, shall be prima facie evidence of the title of the person to such share. A share Certificate is issued after the Company is incorporated and the capital is received from share holders. It should be issued within two month of the incorporation of the Company.

The Contents of share Certificate.

1. Name of the Company.
2. Corporate identity numbers.
3. Address of the registered office.
4. Nominal value per share.
5. Amount paid-up per share
6. Register folio Number
7. Certificate Number.
8. Name of the holders
9. Number of shares held in words and in numbers.
10. Distinctive numbers from to
11. Date of issue of share certificate
12. Signatory of directors and Secretary / any authorized person.



YOUR RETAIL COMPANY LIMITED

# Share Certificate

Certificate no: 1

Number of shares: 1,000

This is to certify that John Adam Barron  
of 17, South Street, Northway, Westown, Eastshiro, GG5 1GG, United Kingdom  
was at 24/10/2016 the registered holder of 1,000 Ordinary shares of £1.00  
each fully paid in the above named company ("YOUR RETAIL COMPANY LIMITED")  
subject to the Articles of Association of the Company

This certificate is hereby associated by the Company:

Director

Director/Secretary/Witness

Date of issue: 26/10/2016

To be completed by witness (if any)

Name

Address

Occupation

YOUR RETAIL COMPANY LIMITED - COMPANY NUMBER 87654321  
No number of these shares can be registered until this certificate has been deposited at the registered office of the Company.

## SHARE APPLICATION FORM

**DE'S TECHNICO LIMITED**  
 "Mediterranean Business Park", BPL,  
 Salt Lake Sector - V, Dist. 804,  
 Kolkata - 700 091

--	--	--

**Introduction**

**Sub: Application for private placement of equity shares of Rs. 100 each including premium of Rs. 150 each**

Please refer to the offer document issued by you. Having read and understood the terms of offer and the instructions, apply for the allotment of equity shares to me/ us. The application is an irrevocable offer by me/ us. The amount payable on application as shown below is remitted. (In allotment, please place my/ our name/ s) on the Register of shareholders. I/ We bind myself/ ourselves by the provisions as contained in the scheme.

	In Figures	In words	
No. of Shares			Date: FOR OFFICE USE ONLY Date of receipt of application Sl. No.
Amount (Rs.)			

I/ we are applying as (Tick) whichever is applicable

Cheque/Demand Draft drawn on	Cheque/DD No.	Date	Amount	Individual <input type="checkbox"/> Society/Trust <input type="checkbox"/> Mutual Fund <input type="checkbox"/> Company <input type="checkbox"/> Others <input type="checkbox"/>

APPLICANT'S NAME IN FULL CAPITAL		Name of father/husband	Sex	Age
Sole/First				
Second				
Third				
Number's Name for subsequent applicant				

Name (IN CAPITAL LETTERS): .....

Address: .....

Phone No. .... Mobile No. .... E-mail: .....

Applicant	PAN				Sole/First applicant
Sole/First		SPECIMEN SIGNATURES			Second applicant
Second					Third applicant
Third					Next one

T/T/RT

Address for Correspondence: <b>DE'S TECHNICO LIMITED</b> "Mediterranean Business Park", BPL, Salt Lake Sector - V, Dist. 804, Kolkata - 700 091	NAME/S ..... CIRCULAR/DRAWN/DRAFTER/DRAWN ON ..... CHEQUE/TONO ..... DT. .... AMOUNT/RS ..... Please draw the Cheque/DD in favour of: <b>DE'S TECHNICO LIMITED</b>	RECEIVED Stamp   Received on
---	---	--

*Chques and Drafts are subject to realisation.*

Conditions to be fulfilled Before the issue of Share certificates.

From 1<sup>st</sup> April, a Share Certificate shall be issued to the new allottees only after satisfying the following Conditions -

1. The Board should authorize the issue of Certificate by means of resolution.
2. A Certificate will issue only on Surrender of the "letter of Allotment" or a Fractional coupon of a requisite value. Furthermore, if it saved in case of an issue against a "letter" of or a letter of Renunciation or in case of issue of Bonus Shares.

## Process of Accounting

Accounting process begins with the origination and identification of business transaction and is followed by recording, classification and summarization of business transactions culminating in preparing of trial balance and financial statements, i.e., Profit and Loss Account and Balance sheet. Following steps are followed in accounting process.

- 1) Identification of Transactions
- 2) Preparation of Vouchers
- 3) Recording in books of original entry.
- 4) Posting to Ledger.
- 5) Preparation of trial Balance and Financial statements. These steps are explained as below:

1) Identification of Transactions :- According deals with business transaction which are monetary in nature. In other words the transactions which cannot be measured and expressed in the of money appropriate documents such as cash memo, Purchase invoice, sale invoice, pay-in-slip, cheque book etc. A document which provides evidence of the transaction is called source documents.

ii) Preparation of Vouchers :-> On the basis of source document entries are first of all, record on vouchers and then on the Journal or books of original entry. Vouchers are printed separated by all the firms in their own names. A separate voucher is prepared for each transaction and it specifies the accounts to be debited and credit. Source document such as in the case of petty expense. Vouchers which are usually arranged in chronological order under the serially numbered, are kept in a separate file.

iii) Recording in the Books of Original Entry :-  
The books in which transactions are recorded for the first time from a vouchers or a source documents are called 'Books of original Entry'. Journal is one of the books a chronological (day-to-day) order according to the principle of double entry system. When the size of the business grows and the numbers of transactions is very large journal is sub divided into under of books is called sub-journal or special journal.



# Company Name

Address, Contact Details

## Payment Voucher

Payment Voucher No: 22345687

Date: \_\_\_/\_\_\_/\_\_\_

Amount: \_\_\_\_\_

Payment Method: \_\_\_\_\_  
*By Cheque or by Cash or Bank*

Amount Paid To: \_\_\_\_\_  
*Name of Receiver*

Amount in Words: \_\_\_\_\_

On Account of: \_\_\_\_\_

\_\_\_\_\_  
Authorized by

\_\_\_\_\_  
Received By

iv) Posting to ledger :→ The next step in the accounting process is to transfer all entries recorded in journal or subsidiary books to respective accounts in ledger. A ledger is the principle book of account in which all transaction ultimately find their place under their respective accounts in which all the transaction duly classified forms. For recording in ledger, all transaction are classified and transfer of similar nature. Thus in ledger separate accounts are opened in the name of each separate accounts are opened in the name of each person. Whether customer or supplier.

v) Preparation of Trial Balance and Financial Statements.

This is the last step of the accounting process. From the help of ledger account prepare the trial balance. Trial balance is made for check the mathematical accuracy of posting and balancing figure of ledger accounts.

If trial balance doesn't tally, it indicate some error. And then contains rectification and prepare the financial statements i.e. Profit and loss Account and Balance sheet.



## FORMULATION OF LINEAR PROGRAMMING PROBLEM

The construction of objective function as well as the constraints is known as formulation of linear.

### PROGRAMMING PROBLEM (LPP)

The following are the basic steps in formulation of LPP.

- i) Identify the variables to be determined and then express these by some algebraic symbols.
- ii) Locate the variables to be determined the various constraints / restrictions present in the problem and express these linear equations/inequalities which are some linear functions to the variables identified in step.
- iii) Determine the objective of the problem and express it as linear function of the decision variable involved in the phenomenon.

## SOLUTION OF LINEAR PROGRAMMING PROBLEM.

There are many methods to find the optimal solution of linear programming problem. The methods-

1. Graphical Method
2. Simplex Method
3. Transportation Method.

### 1. Graphical Method

The industrial problems two or three variables can be easily and effectively solved by drawing the graph for various constraints and the objective.

function. The graphical method is simple and provides useful insights for the solution of complex problems. But the limitation of this method is that it cannot be used for solving problems with more than three decision variables.

## 2. Simplex Method

The graphical method can be used for solving linear programming problems with two decision variables. Problems with three decision variables need a three dimensional graph for solution and problems with more than three decision variables cannot be handled at all by this method. The simplex method developed by algebraic procedure for solving linear problems. It is an algorithm which is an iteration method of computation, to move from one solution to another until it reaches the best solution.

To solve a problem by simplex method requires,

1. Arranging the objective function and constraints in a special way on.
2. Following a systematic procedure and a set of rules in finding the desired solution.

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# **SAMPLE PROSPECTUS OF A COMPANY**

**XY Co Ltd**

Regd office: .....

## **PROSPECTUS**

Consent of the Central Government was received by the company for setting up of a plant for manufacture of .....vide their letter number.....dated.....It must be distinctly understood that in giving this consent the Central Government does not undertake any responsibility for the financial soundness of any scheme or for the correctness of any of the statements made or opinion expressed with regard to them.

It is to be distinctly understood that the vetting of the draft prospectus by the Securities and Exchange Board of India (SEBI) should not, in any way, be construed/ deemed an approval from SEBI for the proposed issue.

### 3. Transportation Method

→ In every day life various manufacturing organization or other establishments due to a number of considerations store their product or items at various place termed as origins or warehouses. When supply is to be made to customers or other uses then the items are transported. origins to one or more destination. Alternately finished products from the plant are also to be transported. problems can also be visualized as a problems of allocation resources from the source to the place requiring the facility. when requirement at some particular place may be fulfilled by combining resource from more resources. Thus transportation problem can also be visualized as a typical linear programming problem.

NOTICE OF ANNUAL GENERAL MEETINGABC PRIVATE LIMITED

Reg. office: 'xx', Address Line 1, Line 2, city state - Pincode.

NOTICE

NOTICE is hereby given, that 5th Annual General Meeting of Members of ABC Limited will be held on Monday, the 15th May, 2023 at 10:00 AM at the registered office of the company at 'xx', Address Line 1, Address Line 2, city state - Pincode, to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited balance sheet as at 31st March, year, the Profit and Loss A/c for the year ended on the date and the reports of the Auditors and Directors thereon.

By order of the Board

Place:

Date:

Director/Company Secretary

Extraordinary General MeetingABC PRIVATE LIMITED

Reg office: x, Address line 1, Address line 2.

City state PinCode

Reg:

Date:

## NOTICE

TO ALL MEMBERS

This is to inform you that an Extraordinary General meeting will be held on 02 JUNE 2000 in meeting room at 9:00 A.M.

Agenda:

1. This dismal performance of certain members of the Executive Committed.
2. A re-election of the Executive Committed if necessary.

These are matters of some urgency and importance your presence is very much needed.

Thank you.

Name

Secretary

