Ans. 1 We know that;

COGS = op. stock + purchases + direct Exp
− closing stock.

$3\,00\,000 = 60\,000 + 3\,30\,000 + 0 - x$

$\Rightarrow x$ = closing stock = Rs. 90 000

So, Average stock * $= \frac{\text{op. st.} + \text{cl. st.}}{2}$

→

$$= \frac{60\,000 + 90\,000}{2}$$

$$= \text{Rs. } 75\,000$$

Thus Inventory Turnover Ratio

$$= \frac{\text{Cost of goods sold}}{\text{Average stock}}$$

$$\Rightarrow \frac{3\,00\,000}{75\,000} = \underline{\underline{4 \text{ Times}}}$$

Ans. 2 Opening Debtors = Closing debtors − Excess of cl. Debtors over op. Debtors.

$$= 40\,000 - 20\,000$$

$$= \text{Rs. } 20\,000$$

$$\text{Avg. Debtors} = \frac{\text{op. Debtors} + \text{cl. Debtors.}}{2}$$

$$= \frac{20\,000 + 40\,000}{2}$$

$$= \text{Rs. } 30\,000$$

Now, Net credit sales = Total sales − Cash sales

→

Let cash sales be x and as given credit sales would be 25% of x

$$= \frac{25}{100} \times x$$

$$= \frac{1}{4} \times x$$

$$= \frac{x}{4}$$

So, Total sales = Cash sales + Credit sales

$$= x + \frac{x}{4}$$

$$= \frac{5x}{4}$$

It is given that Total sales amounts to Rs 150 000

$$\Rightarrow \frac{5x}{4} = 150\,000$$

$$\Rightarrow x = 150\,000 \times \frac{4}{5}$$

$$\Rightarrow x = 120\,000$$

$\therefore$ x = Cash sales = Rs. 120 000

Net Credit Sales = Total Sales − Cash Sales

= 150 000 − 120 000

= 30 000

Debtors Turnover Ratio = $\frac{\text{Credit Sales.}}{\text{Avg. Debtors.}}$

= $\frac{30\,000}{30\,000}$

= 1 Time

Ans. 3 Let sales be x

so profit would be 20% of x

ie $0.2x$

And Cost would be = $x - 0.2x$

= $0.8x$

when cost is 0.8 then sales = 1

when cost is 1 then sales = $\frac{1}{0.8}$

when cost is Rs. 10 lakh, then sales.

$\Rightarrow \frac{1}{0.8} \times 10\,00\,000$ = Rs 12 50 000

Working Cap. Ratio = $\frac{\text{Net Sales}}{\text{Working Cap.}}$ = $\frac{12\,50\,000}{2\,50\,000}$

= 5 Times