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NOIDA INSTITUTE OF ENGINEERING AND TECHNOLOGY, GREATER NOIDA

(An Autonomous Institute)

Affiliated to Dr. A.P.J. Abdul Kalam Technical University, Uttar Pradesh, Lucknow

MBA

SEM: I - THEORY EXAMINATION (2021 - 2022)

Subject: Financial Accounting & Analysis

Time: 03:00 Hours

Max. Marks: 100

General Instructions:

1. All questions are compulsory. It comprises three Sections A, B and C.
- Section A - Question No- 1 is objective type question carrying 1 mark each & Question No- 2 is very short type questions carrying 2 marks each.
- Section B - Question No- 3 is Long answer type - I questions carrying 6 marks each.
- Section C - Question No- 4 to 8 are Long answer type - II questions carrying 10 marks each.
- No sheet should be left blank. Any written material after a Blank sheet will not be evaluated/checked.

SECTION A

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1. Attempt all parts:-

- | | | |
|------|--|---|
| 1-a. | GAAP stands for: (CO1) | 1 |
| | <ol style="list-style-type: none"> 1. Generally Accepted Accounting Provisions 2. Generally Accepted Accounting Policies 3. Generally Accepted Accounting Principles 4. None of these | |
| 1-b. | Which concept states that “for every debit, there is a credit”? (CO1) | 1 |
| | <ol style="list-style-type: none"> 1. Money Measurement Concept 2. Accounting Period Concept 3. Separate Entity Concept 4. Dual Aspect Concept | |
| 1-c. | Ind AS will apply to __. (CO2) | 1 |
| | <ol style="list-style-type: none"> 1. both consolidated as well as standalone financials of the company. 2. Only consolidated financials 3. Only standalone financials 4. Optional | |
| 1-d. | As part of Ind AS transition process, companies covered in first phase will have to prepare: (CO2) | 1 |
| | <ol style="list-style-type: none"> 1. Opening Ind AS Balance sheet as at 1 April 2015. 2. Equity reconciliation b/w Ind AS and Indian GAAP on 1 April 2015 & 31 Mar 2016. 3. Income Reconciliation b/w Ind AS and Indian GAAP for the year ending 31 Mar 2016. 4. All of the above | |
| 1-e. | Transactions are first recorded in which book/account? (CO3) | 1 |
| | <ol style="list-style-type: none"> 1. Book of Original Entry 2. T Accounts 3. Accounting Equation 4. Book of Final Entry | |
| 1-f. | Goods returned by customer will be debited to which account? (CO3) | 1 |

1. Purchases A/C
 2. Return outward
 3. Customer's A/C
 4. Return inward
- 1-g. The ratio analysis is helpful to management in taking several decisions, but as a mechanical substitute for judgment and thinking, it is worse than useless. (CO4) 1
1. TRUE
 2. FALSE
 3. No Idea
 4. May be
- 1-h. Which ratio is considered as safe margin of solvency? (CO4) 1
1. Liquid ratio
 2. Quick ratio
 3. Current ratio
 4. None of the above
- 1-i. What are the aspects of working capital management? (CO5) 1
1. inventory management
 2. receivable management
 3. cash management
 4. all of the above
- 1-j. The major current assets are _____. (CO5) 1
1. cash and marketable securities
 2. accounts receivable (debtors)
 3. inventory (stock)
 4. All of the above

2. Attempt all parts:-

- 2.a. What is basic accounting equation? (CO1) 2
- 2.b. State any two advantages of accounting standard. (CO2) 2
- 2.c. Define trade discount. (CO3) 2
- 2.d. Give full form of EBIT. (CO4) 2
- 2.e. Discuss cash flow statement. (CO5) 2

SECTION B

30

3. Answer any five of the following:-

- 3-a. Explain the meaning and significance of business entity. (CO1) 6
- 3-b. What is the treatment of stock in final accounts? (CO1) 6
- 3-c. Explain the current asset and non-current assets. (CO2) 6
- 3-d. Define indirect expenses. Give two examples.(CO2) 6
- 3.e. Differentiate between journal and ledger. (CO3) 6
- 3.f. Define accounting ratio. How the ratio analysis technique help in the financial analysis. (CO4) 6
- 3.g. Explain the main aim of cash flow analysis. (CO5) 6

SECTION C

50

4. Answer any one of the following:-

- 4-a. Which parties are interested in accounting and why? (CO1) 10
- 4-b. Explain accounting concept s? Explain fully. (CO1) 10

5. Answer any one of the following:-

5-a.	Differentiate between IFRS and Indian GAAP. (CO2)	10
5-b.	Prepare a trading and profit /loss account and a balance sheet with the help of imaginary figures. (CO2)	10
6.	Answer any <u>one</u> of the following:-	
6-a.	Define journal. Explain its features. (CO3)	10
6-b.	Discuss all the rules of journalizing the transaction in detail. (CO3)	10
7.	Answer any <u>one</u> of the following:-	
7-a.	Explain the importance of trend analysis. (CO4)	10
7-b.	Define financial statement analysis. How is it useful for management and creditors? (CO4)	10
8.	Answer any <u>one</u> of the following:-	
8	Explain the importance of working capital management. What do you mean by poor working capital management? (CO5)	10
8	Explain how working capital management policies affect the profitability liquidity for the firm? (CO5)	10