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Subject Code:- AMBA0106

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NOIDA INSTITUTE OF ENGINEERING AND TECHNOLOGY, GREATER NOIDA

(An Autonomous Institute Affiliated to AKTU, Lucknow)

MBA

SEM: I - THEORY EXAMINATION (2022 - 2023)

Subject: Financial Accounting & Analysis

Time: 3 Hours

Max. Marks: 100

General Instructions:

IMP: Verify that you have received the question paper with the correct course, code, branch etc.

1. This Question paper comprises of **three Sections -A, B, & C.** It consists of Multiple Choice Questions (MCQ's) & Subjective type questions.
2. Maximum marks for each question are indicated on right -hand side of each question.
3. Illustrate your answers with neat sketches wherever necessary.
4. Assume suitable data if necessary.
5. Preferably, write the answers in sequential order.
6. No sheet should be left blank. Any written material after a blank sheet will not be evaluated/checked.

SECTION A

20

1. Attempt all parts:-

- | | | |
|------|---|---|
| 1-a. | GAAP stands for: (CO1) | 1 |
| | (a) Generally Accepted Accounting Provisions | |
| | (b) Generally Accepted Accounting Policies | |
| | (c) Generally Accepted Accounting Principles | |
| | (d) None of these | |
| 1-b. | This convention is based on the principle that "Anticipate no profit but provide for all possible losses".(CO1) | 1 |
| | (a) Conservatism | |
| | (b) Consistency | |
| | (c) Materiality | |
| | (d) Full disclosure | |
| 1-c. | Forensic Accounting is defined as:(CO2) | 1 |
| | (a) The practice of applying defined financial ratios to investigate a company's financial health | |

- (b) The use of law enforcement to financial records to determine unlawful actions.
- (c) The application of investigative and analytical skills for the purpose of resolving financial issues in a manner that meets standards required by courts of law.
- (d) The investigatory arm of the Securities and Exchange Commission
- 1-d. AS 3 relates to ____.(CO2) 1
- (a) Deprecation
- (b) Inventory
- (c) Cash Flow Statement
- (d) None of above
- 1-e. Profit & Loss account is also called :(CO3) 1
- (a) Income Statement
- (b) Position Statement
- (c) Trading Account
- (d) None of Above
- 1-f. The right hand side of the ledger account is referred as:(CO3) 1
- (a) Foot Notes
- (b) Balance
- (c) Debit side
- (d) Credit side
- 1-g. In Gross Profit ratio, gross profit is divided by:(CO4) 1
- (a) Net Sales
- (b) Net Purchase
- (c) Net Inventory
- (d) Net Assets
- 1-h. Common Size Income statement takes____as base for analysis.(CO4) 1
- (a) Net sales
- (b) Purchase of goods for cash
- (c) Income
- (d) Assets
- 1-i. On the basis of _____, working capital is classified as gross working capital and net working capital.(CO5) 1

- (a) Concept
- (b) Time
- (c) Future
- (d) Work

- 1-j. Statement of cash flows includes (CO5) 1
- (a) Financing Activities
 - (b) Operating Activities
 - (c) Investing Activities
 - (d) All of the Above

2. Attempt all parts:-

- 2.a. Give two examples of intangible assets.(CO1) 2
- 2.b. Explain Accounting Standards.(CO2) 2
- 2.c. Explain the process of Accounting Cycle.(CO3) 2
- 2.d. Define trend analysis.(CO4) 2
- 2.e. Discuss the objectives of cash flow statement.(CO5) 2

SECTION B

30

3. Answer any five of the following:-

- 3-a. Distinguish between Bookkeeping and Accounting.(CO1) 6
- 3-b. Journalise the following transactions in the books of Ramesh.(CO1) 6

1 April 2021	Ramesh started business with cash	10,000
2 April 2021	Paid into bank	7,000
3 April 2021	Bought goods for cash	500
4 April 2021	Withdraw cash from bank for office	100
13 April 2021	Sold to Krishna goods on credit	150
20 April 2021	Purchased goods from Shyam on credit	225
24 April 2021	Received from Krishna Allowed him discount	145 5
28 April 2021	Paid Cash to Shyam Discount received	215 10
30 April 2021	Cash Sales for the month	800

- 3-c. Explain Indian Scenario of HR Accounting.(CO2) 6
- 3-d. Describe the procedure for issue of Accounting Standards in India.(CO2) 6
- 3.e. Define Journalizing. Explain the concept of Ledger posting and balancing of accounts.(CO3) 6
- 3.f. With the help of the following information, Calculate Return on Investment.(CO4) 6
- Net profit after Interest and tax Rs. 6,00,000
- 10% debentures Rs. 10,00,000
- Tax 40%
- Capital Employed Rs. 80,00,000.
- 3.g. Explain the long term sources of funds.(CO5) 6

SECTION C

50

4. Answer any one of the following:-

- 4-a. Write a detailed note on various users of Accounting.(CO1) 10
- 4-b. Differentiate Equity Shares with Debentures.(CO1) 10

5. Answer any one of the following:-

- 5-a. Highlight main differences between IFRS and Indian GAAP.(CO2) 10
- 5-b. Discuss the need and importance of HR Accounting.(CO2) 10

6. Answer any one of the following:-

- 6-a. Financial Statement is the mirror of a company. Elaborate.(CO3) 10
- 6-b. Prepare Trading, Profit and Loss and Balance Sheet from the following balances relating to the year ending 31st March 2020.(CO3) 10

Capital	1,00,000	Wages	50,000
Creditors	12,000	Bank	10,000
Returns Outward	5,000	Repairs	500
Sales	1,64,000	Stock 1 April	20,000
Bills payable	5,000	Rent	4,000
plant and Machinery	40,000	Manufacturing Expenses	8,000
Sundry Debtors	24,000	Trade Expenses	7,000
Drawings	10,000	Bad debts	2,000
Purchases	1,05,000	Carriage	1,500
Returns inward	3,000	Fuel and Power	1,000

Additional Information:

Closing Stock was valued at Rs. 14,500.

Depreciate Plant and Machinery by Rs. 4,000.

A sum of Rs. 400 is due for repairs.

7. Answer any one of the following:-

- 7-a. Explain the importance of preparing comparative financial statements.(CO4) 10
- 7-b. Calculate the Trade payables turnover ratio from the following figures:(CO4) 10

Credit purchases during 2020-21 = 12,00,000

Creditors on 1.4.2020 = 3,00,000

Bills Payables on 1.4.2020 = 1,00,000

Creditors on 31.3.2021 = 1,30,000

Bills Payables on 31.3.2021 = 70,000

8. Answer any one of the following:-

- 8-a. Explain the differences between fund flow statement and cash flow statement.(CO5) 10
- 8-b. Following is the Balance Sheet of X Ltd. 10
Prepare Cash Flow Statement.(CO5)

Particulars	Note No.	31st March 2017	31st march, 2016
Equity and Liabilities			
1.Shareholders'Funds		25,00,000	20,00,000
(a)Share Capital			
(b)Reserves and Surplus		2,30,000	1,00,000
2. Current Liabilities			
Trade payables		4,50,000	7,00,000
Assets			
1. Non Current Assets			
Fixed Assets-Tangible Assets		6,60,000	5,00,000
2.Current Assets			
(a)Inventories		9,00,000	8,00,000
(b)Trade Receivables		11,50,000	12,00,000
(c)Cash and cash equivalents		4,70,000	3,00,000