

Hi-Tech Institute of Engineering & Technology	
DEPARTMENT OF MANAGEMENT	
Model Paper I, ODD SEMESTER-2023-24,	
Semester: 1st	Course/Branch: MBA
Subject Code: KMBN 103	Subject Name: Financial Accounting & Analysis
Faculty Name: Shilpa Chaudhary	
Time: 3: 00 Hours	Total Marks: 100

Note: 1. Attempt all Sections. If require any missing data; then choose suitably.

SECTION-A

1. Attempt all question in brief.

2x 10 = 20

Q.No	Question	Marks	CO
1	What do you mean by accounting standards?	2	2
b.	What do you mean by journalization of transactions?	2	2
c.	Define different types of accounts.	2	1
d.	What do you mean by final accounts?	2	3
e.	Define the statements that are included in final accounts as per Companies Act 2013.	2	3
f.	"Accounting is both a science and an art." Examine this statement.	2	1
g.	Define Debt-Equity ratio.	2	4
h.	Calculate fixed asset turnover ratio: Fixed asset Rs. 2,00,000; Total sales Rs. 8,50,000; Sales return Rs. 50,000	2	4
I.	What are the objectives of common size statement?	2	5
j.	Define limitations of human resource accounting.	2	5

SECTION-B

2. Attempt any three parts of the following:

3x5 = 15

Q.No	Question	Marks	CO
a.	What is the difference between trial balance and balance sheet?	5	3
b.	Define Written down value method of depreciation. How it is different from straight line method?	5	1
c.	What is Posting? What are its advantages and disadvantages?	5	2
d.	What is ratio analysis? What are the objectives and limitations of ratio analysis?	5	4
e.	What is forensic accounting? Define importance of forensic accounting in examining financial fraud.	5	5

SECTION-C

3. Attempt any ONE part of the following:

1x10 = 10

Q.No	Question	Marks	CO
a.	What do you understand by Double Entry System. What are its features, merits and demerits?	10	2
b.	Journalize the following transaction of April, 2022, in the books of Mr. Sahil.	10	2

	<p>1. Assets: Furniture Rs. 10,000; Machinery Rs. 12,000; Stock of goods Rs. 5,000; Cash in hand Rs. 75,000; Cash at bank Rs. 10,000; Ramesh & Co. Rs. 1,000; and the amount due from Sumit Rs. 2,000</p> <p>Liabilities: Amount due from Radha Rs. 4,500 Amount due to Chatterjee Rs. 5,000 Amount due to Mukherjee Rs. 5,000</p> <p>2. Bought goods of the list price of Rs. 15,000 from Sohan less 10% trade and 2% cash discount and paid 50% at the same time.</p> <p>3. Purchased goods for Rs. 2,00,000.</p> <p>4. Paid life insurance premium Rs. 1,000</p> <p>5. Salary due to clerk Rs. 1,00</p> <p>6. Paid salaries by cheque Rs. 1,00</p> <p>7. Provided depreciation of machinery @ 10% for one month</p> <p>8. Received commission Rs. 3,000</p> <p>9. Ramesh & Co. become insolvent, nothing could be recovered from him</p> <p>10. Paid municipal taxes Rs. 1,00</p>		
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4. Attempt any ONE part of the following:

1x10 = 10

Q.No	Question	Marks	CO
a.	Write a note on Cash flow statement and also show its format.	10	3
b.	From the following prepare ledger and trial balance of ABC Co. 2022: Jan 1 ABC Co. commenced business with cash Rs. 40,000; Feb 5 Purchased goods Rs. 25,000; Feb 20 Sold goods Rs. 30,000; May 10 Purchased goods from Sohan Rs. 18,000; May 25 Sold goods to Ramesh Rs. 20,000; June 15 Cash given to Sohan Rs. 18,000; June 28 Cash received from Ramesh Rs. 20,000; Aug 2 Purchase goods for cash from Dinesh Rs. 19,000; Aug. 29 Withdrew for personal use Rs. 5,00; Oct. 10 Purchased goods from Dinesh Rs. 17,000; Nov. 20 Paid cash to Dinesh Rs. 16,980; allowed discount by him Rs. 20; Dec. 31 Paid salaries Rs. 5,00.	10	3

5. Attempt any ONE part of the following:

1x10 = 10

Q.No	Question	Marks	CO
a.	What is meant by leverage? Discuss the types of leverage ratio with some examples.	10	4
b.	What is profitability ratio? Explain its types with example.	10	4

6. Attempt any ONE part of the following:

1x10 = 10

Q.No	Question	Marks	CO
a.	What are the investigative techniques of forensic accounting?	10	5
b.	Write a detailed note on Corporate Social Responsibility.	10	5

7. Attempt any ONE part of the following:

1x10 = 10

Q.No	Question	Marks	CO
a.	Prepare accounting equations for the following transactions: a. Started business with cash Rs. 4,00,000 and machinery Rs. 10,000; b. Purchased goods for Rs. 1,00,000 by paying 50% in cash immediately;	10	1

	c. Cash withdrawn from bank Rs. 10,000; d. Salary payable Rs. 60,000 of which 60% is outstanding; e. Sold goods costing Rs. 70,000 for Rs. 80,000.		
b.	Rohini Cement Ltd. Purchased on 1st January, 2021 a plant for Rs. 80,000. On 1st April 2022, it purchased additional plant costing Rs. 48,000. On 1st September, 2023, the plant purchased on 1st January, 2021 was sold off for Rs. 42,000 and on the same date fresh plant was purchased at the cost of Rs. 75,000. Depreciation is provided at 10% p.a. on the diminishing balance method every year on 31st December. Show the plant account for three years.	10	1

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DEPARTMENT OF MANAGEMENT	
Model Paper II, ODD SEMESTER-2023-24,	
Semester: 1st	Course/Branch: MBA
Subject Code: KMBN 103	Subject Name: FAA
Faculty Name: Shilpa Chaudhary	
Time: 3:00 Hours	Total Marks: 100

Note: 1. Attempt all Sections. If require any missing data; then choose suitably.

SECTION-A

1. Attempt all question in brief.

2x 10 = 20

Q.No	Question	Marks	CO
1	What are the salient features of accounting?	2	1
b.	What do you mean by accounting equation?	2	1
c.	What do you mean by ledger?	2	2
d.	What are the objectives of accounting standards?	2	2
e.	What do you mean by statement of cash flow?	2	3
f.	What are final accounts?	2	3
g.	What is Dividend Per Share Ratio?	2	4
h.	What is operating leverage?	2	4
i.	What do you mean by Trend Analysis?	2	5
j.	What are the advantages of comparative balance sheet?	2	5

SECTION-B

2. Attempt any three parts of the following:

3x5 = 15

Q.No	Question	Marks	CO
a.	Why owner's capital is recorded as liability?	5	1
b.	What is the procedure for issuing accounting standards?	5	2
c.	Differentiate between capital expenditure and revenue expenditure.	5	3
d.	Define various market capitalization ratios. Also explain uses of these ratios.	5	4
e.	Differentiate between Human Resource Accounting and Forensic Accounting.	5	5

SECTION-C

3. Attempt any ONE part of the following:

1x10 = 10

Q.No	Question	Marks	CO
a.	On 1st January, 2020 Y Ltd. Purchased a machinery for Rs. 90,000 and spent Rs. 10,000 on its erection. On 1st July, 2021 another machinery costing Rs. 50,000 was purchased. On 31st March, 2022, the first machinery was damaged and sold for Rs. 70,000 and on the same day another machinery was purchased for Rs. 80,000. Show a machinery account for the first four calendar years starting from 1st January, 2020 to	10	1

	31 st December, 2023 according to the written down value taking the depreciation at 10% per annum.		
b.	What are the generally accepted accounting principles? How do they benefit management and what problems do they create for it?	10	1

4. Attempt any ONE part of the following:

1x10 = 10

Q.No	Question	Marks	CO
a.	What do you understand by Double Entry System. What are its features, merits and demerits?	10	2
b.	<p>The following balances appeared in the books of Rama as on 1st January, 2023:</p> <p>Assets: Cash Rs. 50,000; Stock Rs. 30,000; Debtors Rs. 50,000; Machinery Rs. 60,000</p> <p>Liabilities: Creditors: Rajesh Rs. 30,000</p> <p>Following transactions took place in January, 2023:</p> <p>January 4: Sold goods for cash Rs. 7,000 and on credit Rs. 3000 to Ram.</p> <p>January 6: Ram returned goods for 1,000</p> <p>January 10: Purchased goods from Rajesh of the list price Rs. 10,000 valued at Rs. 9,000.</p> <p>January 15: Bought goods of the list price Rs. 15,000 from Rakesh less 10% trade discount and 5% cash discount and paid 40% price immediately.</p> <p>January 20: Paid to Rajesh Rs. 38,600 in full settlement of his account.</p> <p>January 25: Paid Rs. 5,00 for the life insurance premium of the Proprietor.</p> <p>January 31: Received commission Rs. 2,000.</p> <p>Pass journal entries and prepare ledger accounts for the above transactions in the books of Rama.</p>	10	2

5. Attempt any ONE part of the following:

1x10 = 10

Q.No	Question	Marks	CO																																																
a.	<p>The summarized balance sheet of Bhadresh Ltd. as on 31.12.22 and 31.12.2021 are as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Liabilities</th> <th>31.12.2022</th> <th>31.12.2021</th> <th>Assets</th> <th>31.12.2022</th> <th>31.12.2021</th> </tr> </thead> <tbody> <tr> <td>Share capital</td> <td>4,50,000</td> <td>4,50,000</td> <td>Fixed Assets</td> <td>4,00,000</td> <td>3,20,000</td> </tr> <tr> <td>General</td> <td>3,00,000</td> <td>3,10,000</td> <td>Investment</td> <td>50,000</td> <td>60,000</td> </tr> <tr> <td>P & L a/c</td> <td>56,000</td> <td>68,000</td> <td>Stock</td> <td>2,40,000</td> <td>2,10,000</td> </tr> <tr> <td>Creditors</td> <td>1,68,000</td> <td>1,34,000</td> <td>Debtors</td> <td>2,10,000</td> <td>4,55,000</td> </tr> <tr> <td>Tax provision</td> <td>75,000</td> <td>10,000</td> <td>Bank</td> <td>1,49,000</td> <td>1,97,000</td> </tr> <tr> <td>Mortgage loan</td> <td>--</td> <td>2,70,000</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>10,49,000</td> <td>12,42,000</td> <td></td> <td>10,49,000</td> <td>12,42,000</td> </tr> </tbody> </table> <p>Additional Details: 1. Investment costing Rs. 8,000 were sold for Rs. 8,500 2. Tax provision made during the year was Rs. 9,000 3. During the year part of fixed assets costing Rs 10,000 was sold for Rs 12,000 and the profit was included in P & L A/c. You are required to prepare cash flow statement for 2022.</p>	Liabilities	31.12.2022	31.12.2021	Assets	31.12.2022	31.12.2021	Share capital	4,50,000	4,50,000	Fixed Assets	4,00,000	3,20,000	General	3,00,000	3,10,000	Investment	50,000	60,000	P & L a/c	56,000	68,000	Stock	2,40,000	2,10,000	Creditors	1,68,000	1,34,000	Debtors	2,10,000	4,55,000	Tax provision	75,000	10,000	Bank	1,49,000	1,97,000	Mortgage loan	--	2,70,000					10,49,000	12,42,000		10,49,000	12,42,000	10	3
Liabilities	31.12.2022	31.12.2021	Assets	31.12.2022	31.12.2021																																														
Share capital	4,50,000	4,50,000	Fixed Assets	4,00,000	3,20,000																																														
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	10,49,000	12,42,000		10,49,000	12,42,000																																														
b.	Outline the vertical format of Balance Sheet as laid down in Companies Act, 2013.	10	3																																																

6. Attempt any ONE part of the following:

1x10 = 10

Q.No	Question	Marks	CO
a.	Summarize various ratios citing their utility for the users.	10	4
b.	Liabilities: Equity Share Capital 5,00,000; Preference share capital 2,00,000; General Reserve 1,00,000; Secured Loan 3,00,000; Sundry Creditors 1,00,000 and Assets: Land & Building 1,00,000; Machinery 4,00,000; Furniture 50,000; Inventory 3,00,000; Sundry Debtors 3,00,000; Cash/Bank Balance 50,000. Calculate Following Ratios from the above information: 1. Current Ratio 2. Liquid Ratio 3. Proprietary Ratio 4. Stock Working capital Ratio 5. Capital Gearing Ratio 6. Debt Equity Ratio	10	4

7. Attempt any ONE part of the following:

1x10 = 10

Q.No	Question	Marks	CO
a.	What is the difference between trend analysis and comparative analysis of financial statements?	10	5
b.	Summarize Vertical analysis of financial statements with imaginary figure.	10	5