

S.D.E.

M.B.A. (E) SEM-I (2 YEAR COURSE) : SUMMER - 2018

SUBJECT: FINANCIAL ACCOUNTING

Day: Wednesday
Date: 06/06/2018

S-2018-4562

Time: 10.00 A.M. TO 01.00 P.M.
Max. Marks: 70

N.B:

- 1) Attempt any **FOUR** questions from Section –I
- 2) Attempt any **TWO** questions from Section-II
- 3) Answer to both the section should be written in the **SEPARATE** answer book.

SECTION –I

- Q.1** Explain in Details Accounting Concepts and Conventions. (10)
- Q.2** Explain the Need and Importance of Accounting. State the various End Users of Accounting Information. (10)
- Q.3** What is the Importance of Ratio Analysis? Discuss Liquidity Ratios in Details. (10)
- Q.4** Explain the following terms: (10)
- i) Balance sheet
 - ii) Bank Reconciliation Statement
- Q.5** Explain the Different Branches of Accounting. Explain Four Indian Accounting Standards. (10)

SECTION-II

- Q.6** Journalize the Following in the in the Books of Shri Sawant (15)
- 1 Jan Sawant started business with cash Rs.1,20,000/-
- 2 Jan Purchased goods from Mehta Rs.30,000/-
- 3 Jan Deposited cash into bank Rs.30,000/-
- 4 Jan Paid Mehta by cheque Rs.30,000/-
- 5 Jan Paid salary to a clerk by cheque Rs.5000/-
- 6 Jan Sawant brought into business sale proceeds of his personal scooter Rs.25,000/-
- 7 Jan Purchased machinery of Rs.80,000/- paying half the amount in cash from Bharat Ltd
- 8 Jan Cash deposited into bank Rs.10,000/-
- Q.7** From the following trail Balance of Bose and company prepare Trading and Profit and Loss A/c for the year ended 31st March 2015 and a Balance Sheet as on that date. (15)

Trail Balance as on 31st March 2015

Name the Account	Debit	Credit
Purchases	1,65,625	-
Return Inward	4,250	-
Sundry debtor	40,200	-
Opening stock	26,725	-
Wages	20,137	-
Salaries	8,575	-
Furniture	7,250	-
Machinery	4,500	-
Postage and Insurance	3,226	-
Travelling Expenses	350	-
Trade Expenses	2,314	-
Rent and rates	3,517	-
Bad debts	525	-

PTO

Loan at 5% to Sadanand (01/12/2014)	3,000	-
Investments	11,500	-
Prepaid Insurance	524	-
Cash in hand	752	-
Cash at bank	5,000	-
Bill receivable	17,070	-
Drawings	6,000	-
Capital	-	28,000
Sales	-	2,56,650
Return outwards	-	3,120
Commission	-	5,200
Sundry creditors	-	25,526
Bills payable	-	8,950
Outstanding wages	-	2,019
Rent accrued but not paid	-	750
Dividend on investment	-	825
	3,31,040	3,31,040

Adjustments:

- Closing stock Rs.10520/-
- Depreciate Furniture at 10% and Machinery at 7%

Q.8 The following data are extracted from the published account of two companies **(15)**

Particulars	ABC Ltd	XYZ Ltd
Sales	32,00,000	30,00,000
Net profit after tax	1,23,000	1,58,000
Equity Capital (Rs.- 10 per share fully paid)	10,00,000	8,00,000
General reserves	2,32,000	6,42,000
Long term debt	8,00,000	6,60,000
Creditors	3,82,000	5,49,000
Bank credit (short term)	60,000	2,00,000
Fixed assets	15,99,000	15,90,000
Inventories	3,31,000	8,09,000
Other current assets	5,44,000	4,52,000

You are required calculate the following ratios for both the companies

- Current Ratio
- Liquid Ratio
- Net Profit Ratio
- Debt Equity Ratio

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