Sub Code: NMBA013/MBTM013

**Paper Id:** 270138 **Roll No:** | | | | | | | | | | | | | |

**MBA/MBA (TM)**
**(SEM I) THEORY EXAMINATION 2019-20**
**BUSINESS ACCOUNTING**

***Time: 3 Hours*** ***Total Marks: 100***

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

**SECTION A**

**1. Attempt *all* questions in brief. 2 x 10 = 20**

| | |
|---|---|
| a. | What are accounting standards? |
| b. | Define debtors & creditors. |
| c. | What is the basis of accounting? |
| d. | Explain the terms goodwill & trademark. |
| e. | What is financial statements analysis? |
| f. | What is depreciation? |
| g. | Differentiate between assets & liabilities. |
| h. | Write any two non-cash transactions. |
| i. | Show a format of statement of changes in working capital. |
| j. | What is a profit & loss account? |

**SECTION B**

**2. Attempt any *three* of the following: 10x3=30**

| | |
|---|---|
| a. | What is financial accounting? Explain briefly accounting cycle. |
| b. | Explain the meaning of the term 'Journal' and state its significance. |
| c. | Prepare a Journal from the following transactions in the books of Imran: |

| 2007 | | Rs. |
|---|---|---|
| June 1 | Started Business with cash | 1,00,000 |
| June 1 | Paid into bank | 25,000 |
| June 2 | Goods purchased for cash | 15,000 |
| June 3 | Purchase of furniture and payment by cheque | 5,000 |
| June 5 | Sold goods for cash | 8,500 |
| June 8 | Sold goods to Arvind Walia | 4,000 |
| June 10 | Goods purchased from Amrit Lal | 7,000 |
| June 21 | Withdrew from bank for private use | 1,000 |
| | Withdrew from bank for use in the business | 400 |
| June 25 | Paid telephone rent for one year | 500 |
| June 28 | Cash paid to Amrit Lal in full settlement of his account | 6500 |
| June 30 | Paid for : Stationery | 200 |
| | Rent | 1,000 |
| | Salaries to staff | 2,500 |

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| | |
|---|---|
| d. | Explain various types of ratios used in ratio analysis. |
| e. | What is a fund flow statement? State its importance. |

## SECTION C

**3. Attempt any *one* part of the following: 10x1 = 10**

| | |
|---|---|
| a. | What are the various concepts of accounting? Explain with suitable examples. |
| b. | Explain GAAP. Also discuss various conventions of accounting. |

**4. Attempt any *one* part of the following: 10x1=10**

| | |
|---|---|
| a. | What is a trial balance? Differentiate between trial balance & balance sheet. |
| b. | What are adjustment entries? Give any five adjustment entries. |

**5. Attempt any *one* part of the following: 10x1 = 10**

| | |
|---|---|
| a. | Anu has following transactions in an accounting year:<br>1. Commenced business with cash Rs. 25,000.<br>2. Paid wages Rs. 1,000<br>3. Purchased goods from Mr. Y Rs. 10,000<br>4. Insurance Paid Rs. 350<br>5. Sold good to Mr. X (cost price Rs. 5,000) for Rs. 7000<br>6. Received rent Rs. 75<br>Prove that the accounting equation is satisfied in all the above transactions. |
| b. | Explain in detailsvarious methods of analysing the financial statements of a firm. |

**6. Attempt any *one* part of the following: 10x1 = 10**

| | |
|---|---|
| a. | Write in detail various methods of charging depreciation. |
| b. | What is adjusted Profit & Loss A/c? Show the format of Adjusted P & L A/c. |

**7. Attempt any *one* part of the following: 10x1 = 10**

| | |
|---|---|
| a. | What is a cash flow statement? Discuss various activities of cash flow statement. |
| b. | Write a brief note on :<br>(i) Inventory & its valuation<br>(ii) Working Capital. |

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