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**Roll No. \_\_\_\_\_\_\_\_\_\_\_\_**

**MBA - 1366**

**MBA (I Semester) Examination, Dec.2018**

**BUSINESS ADMINISTRATION (BACK PAPER)**

**Financial & Management Accounting**

*Time Allowed: Three Hours] [Maximum Marks: 70*

**Note:** Answer **all** questions.

**Q. 1.** Write short notes on any **six** of the following. **5\*6=30**

1. Financial Accounting is “the systematic recording, reporting and analysis of financial transactions of a business”. Comment.
2. Explain “Duality” concept.
3. Identify the key characteristics of accounting.
4. What is trading account? Give its basic format with some items.
5. Accounting is both a Science and an Art. Examine the statement.
6. What do you understand by profitability ratio?
7. Distinguish Income from Expense.
8. Journalize the following transaction:
9. Interest paid Rs.100.
10. Commission received Rs.10.
11. Goods purchased from Ubaid worth Rs. 500.
12. Goods returned to Ubaid worth Rs.100.
13. Rs. 350 paid to Ubaid in full settlement.

**Q. 2.** Journalize the following transactions, make ledger on the basis of these journals and formulate trial balance. **10**

1. SD Ltd. started business with capital Rs. 10000.
2. Goods purchased Rs. 3000.
3. Rs. 900 cash withdrawn by owner.
4. Machinery purchased from Aggrawal & Sons., Rs. 8000.
5. Commission received Rs. 1000.
6. Tele. Bill paid Rs. 150.
7. Salary paid Rs. 2000.
8. Cash deposited into bank Rs.750.
9. Rs. 7800 paid to Agarwal & Sons in full settlement through bank.
10. Goods purchased from Aman Rs. 100.

**OR**

Define balance sheet. Give a specimen of a balance sheet in support of your answer.

**Q. 3.** What is a company? Explain the characteristics of a company. **10**

**OR**

Bansal & Sons Ltd. invited applications for 1000 shares of Rs. 10 each at par, payable as follows:

On application Rs. 5, on allotment Rs. 3, on 1st and final call Rs. 2.

The applications were received for 800 shares and all of these were accepted. All money due were received. Pass the entries in the cash book and journal of the company. Also show how these transactions will be reflected in the company`s balance sheet.

**Q. 4.** What do you understand by management accounting? Also highlight its important in a business organization. **10**

**OR**

What is the BEP Analysis? Explain with a suitable example.

**Q. 5.** What do you understand by the terms budget and budgetary control? What are the advantages of budgetary control? **10**

**OR**

What is the importance of ratio analysis?

Calculate current and acid-test ratios from the following data:

Cash 2000

Debtors 2000

Inventory 12000

Current liabilities 8000