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2301N1053

Candidate's Seat No : _____

MBA (MM) Sem.-1 Examination

FC-108

FA & B

Time : 2-30 Hours]

January-2025

[Max. Marks : 70

Q-1	A) Explain the usefulness and limitations of cash flow statements. Discuss its interpretation in financial decision-making.	14
Q-2	A) Discuss the uses and users of accounting information and their relevance in decision-making. OR B) Prepare a balance sheet from the following data: <ul style="list-style-type: none">● Cash: ₹50,000● Accounts Receivable: ₹1,00,000● Inventory: ₹2,00,000● Fixed Assets: ₹5,00,000● Accounts Payable: ₹1,00,000● Long-term Loans: ₹3,00,000● Shareholders' Equity: Balance the sheet.	.14
Q-3	A) Classify the following costs into functional budgets and give reasons for that: <ul style="list-style-type: none">● Raw Materials: ₹1,00,000● Salaries: ₹50,000● Machinery Maintenance: ₹10,000● Marketing Expenses: ₹30,000● Rent: ₹20,000	14

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	<p>OR</p> <p>B) Discuss the role and significance of notes to accounting and significant accounting policies in published financial statements.</p>	
<p>Q-4</p>	<p>A) The Titanic ship commenced its voyage from Kolkata to Chennai on 31st March,2019 to 30th April,2019.</p> <p>(₹) Brokerage 8000 Insurance 18000 Depreciation for 2 months 20,000 Salaries 50,000 Bunker Cost 4,000 Light House Cost 3,000 Freight earned for return journey ₹1,00,000 and for outward journey ₹125000. Primage is 10% on freight.</p> <p style="text-align: center;">OR</p> <p>B) A company plans to finance a ship purchase with the following details:</p> <ul style="list-style-type: none"> ● Cost of the Ship: ₹50,00,000 ● Equity Contribution: ₹10,00,000 ● Loan from Bank: ₹40,00,000 at an interest rate of 10% per annum. ● Annual Operating Income: ₹15,00,000 ● Annual Operating Expenses (excluding interest): ₹5,00,000 <p>Prepare the Profit & Loss Account and calculate the following:</p> <ul style="list-style-type: none"> ● Net Profit before tax ● Interest Coverage Ratio ● Return on Equity (ROE) 	<p>14</p>
<p>Q-5</p>	<p>A) Define zero-based budgeting. Discuss its advantages and challenges in implementation with an example.</p>	<p>14</p>