

BIRLA INSTITUTE OF TECHNOLOGY, MESRA, RANCHI
(MID SEMESTER EXAMINATION SP/2023)

CLASS: BTECH
BRANCH: BT/MECH/PROD/CSE/ECE

SEMESTER : VI
SESSION : SP/2023

SUBJECT: MT117 BASICS OF FINANCIAL ACCOUNTING AND MANAGEMENT
TIME: 02 Hours

FULL MARKS: 25

INSTRUCTIONS:

1. The question paper contains 5 questions each of 5 marks and total 25 marks.
 2. Attempt all questions.
 3. The missing data, if any, may be assumed suitably.
 4. Tables/Data handbook/Graph paper etc., if applicable, will be supplied to the candidates
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| Q.1(a) Define Real and Financial assets? | [2] 1 | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q.1(b) Explain in brief the Liquidity decision? | [3] 1 | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Q.2(a) Explain anyone accounting principles? | [2] 1 | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q.2(b) Mention three golden rules of Double Entry System. | [3] 1 | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Q.3 Journalize the following transaction: - | [5] 1 | 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Returned goods to Ramesh & Bros. worth Rs.1500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. Purchased timber from Singh & Co. at the list price of Rs. 20,000. He allowed 10% trade discount. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. Salaries for the month of February remain unpaid Rs. 3,000. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. Received from Rakesh in full and final settlement Rs. 8,750. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5. Cash Purchase Rs. 10,000. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Q.4 From the following balances, prepare the Trading and Profit and Loss Account and the Balance Sheet: | [5] 1 | 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse;"><tbody><tr><td>Machinery</td><td style="text-align: right;">3,500</td><td>Rent</td><td style="text-align: right;">450</td></tr><tr><td>Debtors</td><td style="text-align: right;">2,700</td><td>Sundry Expenses</td><td style="text-align: right;">200</td></tr><tr><td>Drawings</td><td style="text-align: right;">900</td><td>Carriage</td><td style="text-align: right;">150</td></tr><tr><td>Purchases</td><td style="text-align: right;">9,500</td><td>Capital</td><td style="text-align: right;">10,000</td></tr><tr><td>Wages</td><td style="text-align: right;">5,000</td><td>Creditors</td><td style="text-align: right;">1,400</td></tr><tr><td>Bank</td><td style="text-align: right;">1,500</td><td>Sales</td><td style="text-align: right;">14,500</td></tr><tr><td>Opening stock</td><td style="text-align: right;">2,000</td><td></td><td></td></tr></tbody></table> | | | Machinery | 3,500 | Rent | 450 | Debtors | 2,700 | Sundry Expenses | 200 | Drawings | 900 | Carriage | 150 | Purchases | 9,500 | Capital | 10,000 | Wages | 5,000 | Creditors | 1,400 | Bank | 1,500 | Sales | 14,500 | Opening stock | 2,000 | | |
| Machinery | 3,500 | Rent | 450 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Debtors | 2,700 | Sundry Expenses | 200 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Drawings | 900 | Carriage | 150 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Purchases | 9,500 | Capital | 10,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Wages | 5,000 | Creditors | 1,400 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bank | 1,500 | Sales | 14,500 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Opening stock | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Closing stock was Rs. 300 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Q.5(a) What is the utility of liquidity ratio? | [2] 1 | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q.5(b) What purpose do Activity Ratio serve? | [3] 1 | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

:28/02/2023:M