

**MASTER OF BUSINESS ADMINISTRATION
(MANAGEMENT ACCOUNTING AND
FINANCE) (MBAMAFCI)**

Term-End Examination

June, 2016

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**MCN-086 : ANALYSIS OF FINANCIAL
ACCOUNTS AND EXTERNAL REPORTING**

Time : 3 hours

Maximum Marks : 100

Note : Attempt any *five* questions. All questions carry equal marks.

1. "Ratio analysis plays an important role in the process of decision-making in business." Examine this statement and discuss some important ratios for measuring the financial soundness and profitability of an enterprise. 20

2. "If the market price per share is equal to the book value per share, the following are equal : earning on equity, earning price ratio and total yield." Prove. 20

3. What is Segment Analysis ? As per IFRS 8, what types of compliances are considered in reporting ? Discuss in brief. 20
4. Define operating lease and distinguish it from finance lease. What are the disclosures to be made in respect of finance and operating lease ? 20
5. Define liabilities and mention the important characteristics of liabilities. Discuss the meaning of provisions and explain how it is calculated and disclosed in the Balance Sheet. 20
6. Explain the meaning of the term Social Accounting. How should social accounting information be presented in an Annual Report ? 20
7. Define 'Human Resource Accounting (HRA)'. What are its objectives ? List out the items of disclosure on human resources. 20
8. In the context of inflation accounting, explain the following : 20
- (a) Cost of Sales Adjustment (COSA)
 - (b) Depreciation Adjustment
 - (c) Gearing Adjustment
 - (d) Current Cost Reserve
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