

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA-SEMESTER-I-EXAMINATION- SUMMER-2024

Subject Code: 2519301**Date: 06/06/2024****Subject Name: International Accounting Practices****Time: 02:30 PM TO 05:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. Use of simple calculators and non-programmable scientific calculators are permitted.

Q.1 Explain the following terms:**14**

- A. Tax Treaty
- B. Financial Year V/s Assessment Year
- C. Types of Expenses
- D. Bills Payable
- E. Bankrupt
- F. Accounting Period Concept
- G. Goodwill

Q.2 (a) The accounting details of M/s Bacchan Ltd. are extracted from the annual reports of the company. **07**
 Perform the trend analysis from the information provided as under and interpret the results.

Figures in ('000)

Particular	23-24	22-23	21-22	20-21	19-20	18-19
Purchase	78	74	65	54	68	75
Sales	102	98	81	95	80	95
Net Profit	45	42	43	40	35	31
Total Assets	105	100	91	85	80	72
Total Liabilities	75	72	71	70	65	68
Total Investments	88	85	80	74	70	65

Q.2 (b) Discuss the concept of Host Country and Home Country in the context of International Business. **07**
 Briefly explain Tax equity and Tax neutrality.

OR

Q.2 (b) Discuss the scope and difficulties of International Accounting in this current competitive world. **07**

Q.3 (a) Differentiate US GAAP, Indian GAAP and International Accounting Standard in brief. **07**

Q.3 (b) Ratio Analysis is comparatively advanced technique for the financial statement analysis. Explain the benefits of the same with response to Profitability ratios. **07**

OR

Q.3 (a) Discuss the role of Financial Manager in brief in MNC. **07**

Q.3 (b) Discuss concept and benefits of XBRL reporting. **07**

Q.4 (a) The following is the Profit and Loss Account of Mannapuram Automobile Ltd. For the year ended 31st March, 2023 and 2024. You are required to convert into Comparative P & L Account. **07**

(In Lakhs)

Particular	2023-24	2022-23
INCOME		
Sales and services	247197.73	165822.20
Less: Excise Duty	235.75	227.75
Net Sales and Services	246961.98	165594.45
Other Income	1510.98	909.42
Total (A)	248472.96	166503.87
EXPENDITURE		
Manufacturing and Other Expenditure	238098.29	157475.99
Interest and Finance Charge	3668.52	1543.29
Depreciation	2380.05	1650.90
Total (B)	244146.86	160670.18
Profit Before Tax (A – B) = C	4326.10	5833.69

Q.4 (b) Discuss the Indian GAAP of Consistency and Money Measurement in brief with appropriate example. **07**

OR

Q.4 (a) Why the users of accounting information keep eye on the accounting data of the firm? Discuss the list of users with their probable reasons in brief. **07**

Q.4 (b) Record the following transaction in the Book of Smt. Maniben. **07**

1. Took a loan of 50,000 from Shri Karodimal and kept 10,000 in cash box and deposited the balance amount in the bank.
2. Goods worth 20,000 purchased at 10% T.D. and 2% C.D. terms from Bhankti and paid 1/3 amount by cheque.
3. Sold goods to Shankti 40,000 at 4% C.D. and he gave crossed cheque for half the amount and balance in cash.
4. Received crossed cheque for 15,520 from Chirag in full settlement of his account. Chirag received 3% Cash Discount.
5. Paid 1500 for office rent.
6. Withdrawn 2000 from the bank for personal use.
7. Cheque of Chirag dishonored and he gave Cash for the same.
8. A letter received from the bank that they have debited our account for 200 as interest on overdraft.
9. Cash sales for 6000 at 3% C.D.

- Q.5** Bejan Daruwala Co. Ltd., was promoted with an authorized capital of Rs. 14,00,000 divided into 14,000 equity shares, each of ` 100. Following is the balances in the books of the company on 31-03-2023. Prepare Annual Accounts of the Bejan Daruwala Co. Ltd as per companies Act, 2013. **14**

(Amount in INR)

Debit Balance	Amount	Credit Balance	Amount
Land and Building	4,42,000	10,000 Equity Shares	10,00,000
Sock on 31-03-23	3,40,000	10% Debentures (Repayable on 31-03-27)	1,00,000
Cash on hand	33,000	Mars Ltd's Loan	1,40,000
Goodwill	2,00,000	Fixed deposit	35,000
Investments	35,000	General reserves	1,60,000
Plant and Machinery	4,50,000	Security premium	15,000
Debtors	1,18,000	P & L A/c on 1-4-22	31,000
Bills Receivables	30,000	Gross profit (C.Y)	3,80,000
Loose Tools	14,000	Provident fund	40,000
Salary	80,000	Unpaid expenses	11,000
Contribution in P. F.	18,000	Uncalled dividend	10,000
Interest on Debentures	5,000	Interest accrued on loan	3,000
Insurance	8,000	Creditors	1,00,000
Rent and Taxes	40,000	Interest on Investment	10,000
Furniture	55,000		
Audit Fees	10,000		
Repairs	13,000		
Motor	48,000		
Discount on Debentures	10,000		
Goods in Transit	20,000		
Customs Deposit	23,000		
Postage and Telegrams	4,000		
Directors' fees	20,000		
Underwriter's Commission	15,000		
Carriage Outward	4,000		
Total	20,35,000	Total	20,35,000

Adjustments:

1. Provide for depreciation on plant and machinery at 10% and on furniture and motor at 5%.
2. Reserve 5% on Debtors for bad and doubtful debts.
3. Outstanding interest on investments is ₹7500
5. 1/5 of the underwriting commission is to be written off.
6. Transfer ₹35,000 to general reserve.
7. Directors have recommended 5% dividend on Equity shares.

- Q.5 (a)** Prepare all the schedules of Profit and Loss statement **07**
(b) Prepare all the schedules of Balance Sheet **07**

OR

- Q.5 (a)** Prepare vertical Profit and Loss statement **07**
(b) Prepare the vertical Balance sheet of the firm. **07**
