

[Total No. of Questions - 11] [Total No. of Printed Pages - 4]
(2064)

14870

MBA 1st Semester Examination

Accounting for Managers (N.S.)

MBA-106

Time : 3 Hours

Max. Marks : 60

The candidates shall limit their answers precisely within the answer-book (40 pages) issued to them and no supplementary/continuation sheet will be issued.

Note : All questions are compulsory in Section-A, which carry 2 marks each. Attempt any Four questions from Section-B carrying 5 marks each and attempt any Two questions from Section-C, which carry 10 marks each.

SECTION - A (Compulsory)

1. (a) Money Measurement Concept.
- (b) Every Debit must have corresponding Credit. Explain
- (c) Marginal cost & costing
- (d) Debt Equity Ratio
- (e) Margin of Safety
- (f) Interest Coverage Ratio
- (g) Compensating Errors in Trial Balance.
- (h) Angle of Incidence
- (i) Balance Sheet Vs Fund Flow Statement
- (j) Trade discount Vs Cash discount (10×2=20)

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SECTION - B

Attempt any four questions. Each carrying five marks.

2. Explain the process of Accounting Cycle with the help of suitable examples.
3. What is the impact of Price level changes on Financial Statements? Explain.
4. From the data calculate (a) Gross Profit Ratio (b) Net profit Ratio (c) Return on Total Assets (d) Working Capital Ratio (e) Net worth to Debt.

<i>Particulars</i>	<i>Rs.</i>	<i>Particulars</i>	<i>Rs.</i>
Sales	2520000	Fixed Assets	1440000
Cost of sales	1920000	Net Worth	1500000
Net Profit	360000	Debt	900000
Inventory	800000	Current Liabilities	600000
Other Current Assets	760000		

5. From the following data, you are required to calculate:

	<i>Sales</i>	<i>profit/loss</i>
Period I	7,00,000	10,000 loss
Period II	9,00,000	20,000 profit

Calculate:

- (a) P/V Ratio
- (b) The amount of Fixed Expenses
- (c) The no. of units to Break Even

The selling price per unit can be assumed as Rs. 100

6. What is the need and importance of Social accounting in modern era?
7. Differentiate Fund Flow Statement with Cash Flow Statement with suitable examples. (4×5=20)

SECTION - C

Attempt any two questions. Each question carrying ten marks.

8. From the Following Trial balances of XYZ Concern prepare a Trading and Profit & Loss account and Balance Sheet for the year ended 31st March 2012.

Trail Balance	Dr.	Cr.
Particular	Rs.	Rs.
Purchases	1,60,000	
Discount	13,000	
Wages	65,000	
Travelling Expenses	5,000	
Freight	2,750	
Salaries	20,000	
Insurance	1,500	
Commission	3,250	
Rent and Rates	5,000	
Cash	250	
Cash at Bank	27,250	
Stable Expenses	1,950	
Bad Debts	500	
Sundry Expenses	550	
Interest on Mortgages	1,000	
Repairs	1,050	
Building	40,000	
Advertisement	15,000	
Horses & Carts	5,000	
Opening Stock	57,500	
Sundry Debtors	32,500	
Sales		3,00,000
Mortgage & Interest		30,500
Capital		1,06,550
Sundry Creditors		20,000
Provision for bad debts		1,000
	4,58,050	4,58,050

[P.T.O.]

Adjustments:

- Stock on 31st March 2012 was valued at Rs. 60,750.
- Rs. 300 were paid in advance for Rent & Rates.
- Prepaid insurance amounts Rs. 200.
- Create Reserve for bad debts @ 5% on debtors.
- Charge 1/3rd of the advertisement for this year.

9. Explain in detail, the different methods used for analysis and interpretation of financial statements.
10. Following is the Balance Sheet of ABC Ltd. You are required to prepare Cash Flow Statement using (AS-3) method.

Liabilities	1.1.12	31.12.12	Assets	1.1.12	31.12.12
Equity Capital	100000	100000	Cash	10000	7200
General Reserve	100000	100000	Debtors	70000	76800
Profit and Loss A/c	96000	98000	Stock	50000	44000
Current Liabilities	72000	82000	Land	40000	60000
Loan from ABC Co.		40000	Buildings	100000	110000
Loan from bank	62000	50000	Machinery	160000	172000
	430000	470000		430000	470000

Adjustments:

- During the year Rs.52000 was paid as dividends.
 - The provision for depreciation against Machinery as on 1.01.12 was Rs. 54000 and on 31.12.12 was Rs. 72000
11. Define Human Resource Accounting. Enlist advantages of Human Resource Accounting in current era. (10×2=20)