

FINAL EXAMINATION – JULY 2017

MBA / PGDBM

First Year - First Semester

Accounting for Managers

MBA/PGDBM

Time : 3 Hours

Max Marks : 70

Min. Marks : 28

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- Note : (i) Attempt Any Four from section “A”
(ii) Attempt Any Three from section “B”
(iii) Section “C” is compulsory.
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SECTION – “A” (Any Four)

4 × 5 = 20

Q.1. Write short note on:- (Any four)

- (i) Separate Entity concept
- (ii) Marginal costing
- (iii) Overheads
- (iv) Budgetary control
- (v) Absorption costing
- (vi) Zero base budget

3 × 12 = 36

SECTION – “B” (Any Three)

Q.2. “Cost accounting system is neither unnecessary nor expensive rather it is a profitable statement” Comment.

Q.3. An article has to undergo three different processes before it becomes ready for sale from the following information find out cost of production per unit of that article showing cost per item. If 200 units of article were manufactured upto 31st Dec. 2015 -
Expenses of 200 units of articles are :

Manufacturing	Refining Process (Rs.)	Finishing Process (Rs.)	Process (Rs.)
Material	2000	1000	750
Labor	1500	2500	1000
Direct expenses	400	200	300

The indirect expenses for the period amount to Rs. 6000 in the factory out of which Rs. 2000 is attributable to this product. There was no stock at the end of any process. The indirect expenses should be allocated to each process on the basis of labor.

Q.4. Define the term 'standard costing' Explain with reasons why an industrial concern should introduce standard costing system?

Q.5. From the following particulars of suresh traders in respect of the year ended 31 March 2015. Prepare his trading, profit & loss account :

	Rs.	Rs.
Opening stock	5000	
Purchase	50000	
Purchase return		300
Return in ward	600	
Sales		82000
Carriage in ward	200	
Wages	500	
Rent & Taxes	300	
Trade expenses	600	
Discount	40	
Discount on purchase		50
Commission	10	
Salaries	2000	
Legal expenses	50	
Audit fees	60	
Bank Charges	40	
Interest on Drawing		60
Sales tax	50	
Interest on investment		200
Repairs & Renewals	260	

Closing stock Rs. 1000

Q.6. What are the objectives of inventory control? How is inventory control affected through A, B, C analysis of stores?

**SECTION – “C”
(Compulsory Question)**

Q.7. Enter the following transactions in the journal of Dr. S.Sinha Katihar:

2015		Rs.
March	1, Started business with cash of	75000
	2, Opened a bank account with SBI	20000
	3, Purchased goods from Kumar steels for cash	30000
	5, Purchased goods from Prasad steels on credit	40000
	6, Goods returned to Kumar steels	5000
	9, Goods sold to Mahendra lal for cash	60000
	10, Sold goods to Hazarika Traders on credit	50000
	11, Paid carriage	5000
	12, Cash deposited into bank	1000
	20, Withdraw cash from bank for office use	5000
	21, Withdraw cash for private use	4000
	28, Rent paid	1500
	28, Interest received	1500
	29, Furniture purchased	5000

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