Roll. No………………………… 1211065

MBA 1st Semester Examination
Jan. 2014
Subject – Accounting For Managers
Subject Code: MSL-509

Time Allowed: 03 hours. Max. Marks: 100

Before answering the question paper the candidate should ensure that they have been supplied the correct question paper. Complaints in this regard, if any, shall not be entertained after the examination.

Note: Question No. 1 is Compulsory and attempt any two questions from each section. All questions carry equal marks.

1. Write note on following:-
   (i) Golden Rule of Accounting
   (ii) Going Concern Concept
   (iii) Budgetary Control
   (iv) Break Even Point (BEP)
   (v) Cost Sheet


3(i) Define Funds Flow Statement. What is difference between Funds Flow Statement and Cash Flow Statement?
   (ii) A firm has current ratio of 4:1 and quick ratio is 2.5:1. Assuming Inventory (stock) at Rs. 30000, find out total current assets and total current liabilities.

4. Ekta Enterprises purchased a machinery for Rs. 75000 on 1st April, 2009. On 1st October, 2009 machinery for Rs. 25000 was acquired. On 1st April, 2010 the first machinery was sold at Rs. 50000 and on the same date fresh machinery was purchased at a cost of Rs. 45000. Depreciation was annually provided on 31st March at 10% per annum on written down value method. On 1st April, 2011, however, the firm decided to change the method of providing depreciation and adopted the method of providing depreciation at 10% per annum on the original cost, with retrospective effect. Ascertain the value of machinery as on 31st March, 2012 by preparing machinery account for three years.

5. Define Cost Accounting. Explain how it helps the management. Discuss various methods of Costing.

6 (i) What is Cash Budget? What are its advantages?
   (ii) The expenses budgeted for productions of 10000 units in a factory are as follows:
       Materials 70
       Labour 25
       Variable overheads 20
       Fixed overheads (Rs. 100000) 10
       Direct variable overheads 5
       Selling expenses (10% fixed) 13
       Distribution expenses (20% fixed) 7
       Admin. Expenses (Rs. 50000) 5
       Total cost of sales per unit (to make and sell) 155

       Prepare a budget for production of (a) 8000 units (b) 60000 units. Assume that administrative expenses are rigid for all levels of production.

7. From given data Calculate:
   (i) P/v Ratio
   (ii) Fixed Cost
   (iii) Sales required to earn a profit of Rs. 5 lacs and
   (iv) Profit when Sales are Rs. 40 lacs.

       Period I Sales Rs. 20 lacs Profit Rs. 2 lacs
       Period II Sales Rs. 30 lacs Profit Rs. 4 lacs


SECTION-B