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Roll No. ....

**MS-102**  
**Accounting for Managers**  
**Master of Business Administration/  
Diploma in Management**  
**MBA/DIM-16/17**  
**1<sup>st</sup> Semester**  
**Examination-2019**

*Time : 3 Hours*

*[Maximum Marks : 80*

**Note :** This paper is of Eighty (80) marks divided into two (02) Sections A and B. Attempt the questions contained in these sections according to the detailed instructions given therein.

**Section–A**

**(Long Answer Type Questions)**

**Note :** Section 'A' contains Five (05) long-answer-type questions of Fifteen (15) marks each. Learners are required to answer any three (03) questions only. **(3×15=45)**

1. 'Accounting conventions and concepts are the foundation of accounting principles'. Describe

(3)

Sales and Purchase		
Returns	200	125
Advertising	450	—
Interest	118	—
Commission	—	375
Cash in hand	650	—
Taxes and Insurance	350	—
Car Expenses	900	—
General Expenses	782	—
Salaries	3,300	—
Total	34,000	34,000

Prepare trading and Profit & Loss account for the year ended 31<sup>st</sup> March 2019 and Balance Sheet as on that date after taking into consideration the following matters-

1. Stock in hand on 31<sup>st</sup> March 2019 was valued at Rs. 3,250.
2. Provide depreciation on building at 5% and on Motor Car at 10%.
3. Salaries have been paid only for eleven months.
4. Rs. 85 is due for interest on bank overdraft.

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(4)

5. Insurance Rs. 100 is prepaid.
6. One third of the commission received is in respect of work to be done next year.
5. From the following data calculate-
  - (A) Material Cost Variance
  - (B) Material Price Variance
  - (C) Material Usage Variance
  - (D) Material Revised usage Variance
  - (E) Material Mix Variance

Materials	Standard Mix		Actual Mix	
	Quantity	Rate	Quantity	Rate
X	60	2	80	3
Y	40	3	40	5

**Section-B**

**(Short-Answer-Type Questions)**

**Note :** Section 'B' contains Eight (08) short-answer-type questions of Seven (07) marks each. Learners are required to answer any Five (05) questions only. **(5×7=35)**

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(2)

various conventions and concepts while explaining this statement.

2. What do you understand by Books of Original Entry? What is the importance of them in modern book keeping? Describe those subsidiary books which are mostly used in business.
3. Write a detailed note on Accounting and Financial Information System.
4. Following is the Trial Balance extracted from the books of a merchant on 31<sup>st</sup> March 2019 :

Particulars	Amount (Dr)	Amount (Cr)
Furniture	640	—
Motor Car	6,000	—
Building	7,500	—
Capital	—	12,500
Bad Debts	175	—
Other Income	—	300
Sundry Debtors and Creditors	4,000	2,400
Stock on 1-4-2018	3,460	—
Purchases and Sales	5,475	15,450
Bank Overdraft	—	2,850

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(5)

1. What is Book-Keeping? What is difference between Book-Keeping and Accounting?
2. 'Trial Balance is not a conclusive evidence of accuracy'. Comment.
3. Differentiate between Cost Accounting and Management Accounting.
4. What is Unit or Output Costing? In Which industries is it used?
5. Find the Gross Profit Ratio from the following data-

	Year	2017	2018
Net Sales	Rs. 6,25,000		7,80,000
Cost of Sales		4,75,000	5,91,000
Units Sold		12,500	15,000
6. What is Break Even Point? How is it calculated?
7. Write a brief note on Budgeting as a tool of planning.
8. Discuss the importance of Responsibility and Human Resource Accounting for enterprise.

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