

UNIT - III

- 6. What is financial Reporting and why is it important ? Explain the objectives of financial reporting. 16
- 7. What is zero base budgeting ? What are the advantages of zero base approach over traditional approach ? 16
- 8. Explain the concept of Balance scorecard with example. Discuss its importance. 16
- 9. What is marginal costing ? Discuss the various managerial problems which are simplified by the use of marginal costing. 16

UNIT - IV

Roll No.

MBA 2 Yr. 1st Semester
(CBCS) 2019-20 New Scheme
Examination - February, 2022
ACCOUNTING FOR MANAGERS

Paper : 191MG21C3

Time : Three hours]

[Maximum Marks : 80

Before attempting the questions, candidates should ensure that they have been supplied the correct and complete question paper. No complaint in this regard, will be entertained after examination.

Note : Section - A is compulsory. Attempt four questions from Section-B (one question from each unit). All questions carry equal marks.

SECTION - A

- 1. Write a short notes on : 2 × 8 = 16
 - (a) Dual aspect concept
 - (b) Trial balance
 - (c) Bad debts
 - (d) Price earnings Ratio
 - (e) Margin of safety
 - (f) Variance analysis
 - (g) Cash flow statement
 - (h) Performance budget

SECTION - B
UNIT - 1

2. Accounting like any other discipline has rule & guidelines that guide accountants to create, preserve and present financial statements. Provide an evaluation of these guidelines highlighting their importance. 16

3. Journalise the following transactions, post them into Ledger : 16

2020		(₹)
March 1	Mr. X commenced business with cash	80,000
2	Purchased goods for cash	36,000
3	Machinery purchased for cash	4,000
4	Purchased goods from : Y	22,000
	Z	30,000
6	Returned goods to Y	4,000
8	Paid to Y, in full settlement of his account	17,500
10	Sold goods to Mr. A for ₹ 32,000 at 5% trade discount	
13	Received cash from Mr. A	19,800
	Discount allowed	200
15	Paid cash to Y	14,850
	Discount received	150
20	Sold goods for cash	25,000

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24	Sold goods for cash to B Ltd.	16,000
25	Paid for Rent	1,500
26	Received for Commission	2,000
28	Withdraw by Proprietor for his personal use	5,000
28	Purchased a fan for Proprietor's house	1,200

UNIT - II

4. What is fund flow statement? Examine its uses and significance for management? 16
5. Prepare balance sheet and profit and loss account from the following information : 16
- Capital - Rs. 4,00,000
 - Working Capital- Rs. 1,80,000
 - Bank Overdraft - Rs. 30,000
 - There is no fictitious asset. In current assets, there is no asset other than stock, debtors and cash.
 - Closing stock is 20% higher than the opening stock.
 - Current Ratio - 2.5
 - Quick Ratio - 2
 - Proprietary Ratio (Fixed Assets : Proprietary Funds) - 6
 - Gross Profit Ratio - 20% (to sales)
 - Stock velocity - 5
 - Debtors' Velocity - 73 days
 - Net Profit Ratio (To average capital employed) - 10%

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P. T. O.