

**576116(76)**

**M. B. A. (First Semester) Examination,  
Nov.-Dec. 2020**

**(New Scheme)**

**(Management Branch)**

**ACCOUNTING for MANAGERS**

***Time Allowed : Three hours***

***Maximum Marks : 80***

***Minimum Pass Marks : 32***

***Note : Attempt all the questions. Part (a) consists of 6 marks. Attempt any **one** out of Part (b) and Part (c) each carries 10 marks.***

**Unit-I**

1. (a) According to the Principle of Double entry system, "Every debit has a corresponding credit". Explain.

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(b) Prepare correct Trial Balance :

Closing Stock	10,000
Plant & Machinery	3,600
Capital	20,000
Outstanding Wages	400
Debtors	8,000
Depreciation	400
Creditors	4,000
Cost of Goods sold	38,000
Salary	800
Land & Building	12,000
General Reserve	4,000
Cash	12,200
Advertisement	2,400
Travelling Exp.	1,000
Sales	60,000

Or

(c) Explain the concept of generally accepted accounting principles.

#### Unit-II

2. (a) What is the use of trial balance in preparation of final accounts?

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(b) What do you understand by the term "Grouping" and "Marshalling" used in correction in balance sheet.

Or

(c) What are adjustments? How do we deal with adjustments while preparing final accounts.

#### Unit-III

3. (a) What are the objectives of Cost Accounting.  
(b) Briefly state the difference between cost accounting and financial accounting.

Or

(c) From the following particulars calculate :

- (i) Re-order level
- (ii) Minimum level

Maximum consumption 150 units per day

Minimum consumption 50 units per day

Reorder period 25-30 days.

#### Unit-IV

4. (a) Explain the short :  
(i) Treatment of Abnormal loss  
(ii) Difference between normal loss and abnormal loss.

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(b) State the characteristics and principles of cost accounting.

Or

(c) The Bharat manufacturing company's product passes through two distinct processes *X* and *Y*, and then to the finished stock. It is known from the past experience that wastage occurs in the process as under :

In process *X*, 5% of the units entering the process which realizes 8 per 100 units.

In process *Y*, 10% of the units entering the process which realizes 10 per 100 units.

	Process <i>X</i>	Process <i>Y</i>
	₹	₹
Materials consumed	6,000	3,000
Wages	7,000	4,000
Manufacturing Exp.	2,000	2,000

10,000 units were brought into Process *X*, costing ₹ 5,000. The outputs were :

Process *X*                    9,500 units

Process *Y*                    8,500 units

Prepare Process Cost Accounts showing the cost of the output.

Unit-V

[ 5 ]

5. (a) State any three characteristics of marginal costing.

(b) What do you understand by marginal costing. Discuss its usefulness and limitations.

Or

(c) "Marginal costing is an invaluable aid in management decision making." Briefly discuss.