

MBA(D) 1st Semester Examination ,June 2020(DDE)

[Session :Jan 2019-Dec 2020]

Subject: Accounting for Managers

Paper: MBD-104

Time: 3 Hours

Full Marks: 80

Group A

Answer any *six* questions

5 × 6 = 30

1. Explain the relationship of accounting with book-keeping and auditing.
2. “The terms ‘expenditure’ and ‘expense’ are synonymous.” State whether the given statement is true or false. Explain with proper reasoning.
3. What is a non-current asset? Mention any six such assets that would exist in the books of accounts of a nursing home.
4. Explain the Dual Aspect concept of accounting with the help of a hypothetical example.
5. ‘There are some recognised methods of comparing Cost and Net Realisable Value for the purpose of inventory valuation’. Briefly discuss these methods and comment on their practical applicability as per accounting standards.
6. Explain, by giving examples, the concepts of simple and composite cost units.
7. State and briefly discuss any five functional budgets that are usually prepared by a manufacturing organisation?
8. The following information relates to a manufacturing business:
Sales (10,000 units) Rs. 16,00,000; Variable cost Rs. 9,60,000; Fixed cost Rs. 4,80,000.
You are required to ascertain: (a) sales to reach break-even, and (b) sales to earn a profit of Rs. 6,00,000, if selling price per unit is reduced by Rs. 10.

Group B

Answer any *five* questions

10 × 5 = 50

9. Discuss, in detail, the different factors that are considered by accountants for measurement of depreciation.
10. Mention the financial statement that is drafted by an organisation for reflecting its financial position. Discuss its importance and also the limitations to the users of accounting

information.

11. What do you mean by Human Resource Accounting? Explain any two methods that are adopted for valuation of human resources in the context of human resource accounting.
12. The following monthly information is provided by Pandav Ltd., a broom manufacturing firm which is currently operating at 60% activity level: [Figures in Rs.]

Sales	30,00,000
Direct materials	5,40,000
Direct wages	8,40,000
Depreciation (25% variable)	1,00,000
Rent (100% Fixed)	4,80,000
Salaries (80% Fixed)	1,20,000
Electricity (60% variable)	96,000
Repairs & Maintenance (50% fixed)	73,000
Insurance on Property, Plant & Equipment (40% variable)	45,000

The company's management is planning to scale up its operations. In this background, you are required to prepare a flexible budget reflecting 75% and 90% activity levels.

13. What do you mean by Contract Costing? Discuss its features.
14. Distinguish between Standard Costing and Budgetary Control.
15. Write short notes on (any two):
- (a) Ind AS (b) Buyback of securities (c) Life cycle costing
