

Roll No. ....  
14000 100/60/30/40

**B-418**

**April 2023**  
**Master of Business Administration (MBA) Examination**

(Full Time) (New) First Semester  
**FT-103C : ACCOUNTING FOR MANAGERS**

Time 3 Hours]

[Max. Marks 80

**Note :** Attempt any two questions from Section A. Each question carries 10 marks. Attempt any four questions from Section B. Each question carries 15 marks.

**Section A**

1. Discuss the Indian Accounting Standard and discuss the differences between Indian AS and IFRS.
2. Discuss the following with examples and their applications :  
(a) Fixed Cost (b) Variable Cost (c) Deferred Revenue Expenses  
(d) Semi-Variable Expenses (e) Incremental Cost.
3. What is Management Accounting ? Discuss the importance and its tools.
4. Discuss the types of Shares. How the bonus shares accounting is done ? Discuss the purpose of issuing the bonus share.

**Section B**

5. X Ltd. having balance of Rs. 6,20,000 at the beginning of the year 2010. On 01-09-2010 company replaced machinery which was purchased on 01-04-2006 for Rs. 50,000, purchase price of new plant Rs. 2,20,000. Vendor company replaced machinery and relaxed Rs. 20,000 in exchange of machineries. Assuming that company is charging depreciation on machinery with 20% fixed installment and accounts are closed on 31 March every year. You are required to prepare machinery account for three years from 01-04-2010. Consider that company changed the rate of depreciation 25% with reducing installment method from April 01, 2010.
6. From the following information you are required to prepare Process I, II and III accounts with required working notes :  
1000 units introduced in Process @ 6/- per unit.

Expenses	I	II	III
Material (in Rupees)	7,200	3,960	5,924
Labour (in Rupees)	4,000	6,000	8,000
Overheads (in Rupees)	4,000	6,000	8,000
Actual production (in Units)	950	840	750
Normal wastage (of input)	5%	10%	15%
Selling price of wastage (Rs. per Unit)	4	8	10

7. The standard cost of a Chemical Mixture is as under :  
4 Tons of Material X at Rs. 2,000 Per Ton  
6 Tons of Material Y at Rs. 3,000 Per Ton  
Standard Yield 90% of input  
Actual cost for the period is as under :  
4.5 Ton of X material @ 1,800 per ton  
5.5 Ton of Y Material @ 3,900 Per Ton  
Actual yield is 9.1 tons.  
**Calculate at material variances.**

P. T. O.

8 Prepare final accounts for the year ending March 31, 2014 in the books of M/s Sharma and Sons from the following information :

Particular	Trial Balance as on 31-03-2014		
	Amount Rs.	Particular	Amount Rs.
Opening stock		Commission	211
Depreciation	1,250	Capital	39,228
Insurance	667	Creditors	1,780
Carriage Inward	380	Bills Payable	541
Furniture	300	Return outwards	380
Printing Charges	15,670	Bank overdraft	1,000
Carriage outward	481	Sales	41,800
Plant	200	Outstanding exp. (01-04-2013)	850
Cash in Hand	16,230	Rent Received in Advance	1,150
Salaries	895		
Debtors	750		
Discount	15,905		
Bills Receivables	328		
Wages	2,730		
Return inwards	1,589		
Purchases	1,659		
Sundry Exp.	28,679		
Bad debts	47		
Prepaid expenses (01-04-2013)	180		
	2,000		
	<b>99,940</b>		<b>99,940</b>

Additional information :

- (a) Depreciation is to be charged on Furniture and Plant by 10%.  
 (b) Outstanding wage and salaries Rs. 600 and Rs. 800 respectively.  
 (c) Bad debts Rs. 905 to be adjusted and make provision @ 5% on debtors for bad debts  
 (d) Interest on capital is to be allowed 12% per annum.  
 (e) Closing stock Rs. 3,800.
9. A company offered for public subscription 10,000 shares of ₹ 10 each at ₹ 11 per share. Money was payable as follows :
- ₹ 3 on application
  - ₹ 4 on allotment
  - ₹ 4 on first and final call.

Applications were received for 12,000 shares and the directors made pro rata allotment.

A applicant for 120 shares, could not pay the allotment and call moneys. B, a holder of 200 shares failed to pay the call. All these shares were later on forfeited. <https://www.davvonline.com>  
 Out of the forfeited shares, 150 shares (the whole of A's shares being included) were issued at ₹ 9 per share. Pass journal entries for the above transactions.