

S.No. 8004

24DPBA04

(For the candidates admitted from 2024-25 onwards)

M.B.A. DEGREE EXAMINATION, MAY 2025.

First Semester

ACCOUNTING FOR MANAGERS

Time: Three hours

Maximum: 75 marks

PART A — (10 × 2 = 20 marks)

Answer ALL questions.

1. What is accounting concepts?
2. Define trial balance.
3. How do you calculate working capital?
4. State the meaning of cash flow statement.
5. Relate the term absorption costing.
6. Recall the meaning of break-even point.
7. What do you understand budgetary control?
8. Which is called Zero-Based Budgeting?
9. Give the definition of cost accounting?
10. Write a short note on cost center.

PART B — (3× 5= 15 marks)

Answer any THREE questions.

11. Prepare Trial balance from the following.

Particular	Rs.	Particular	Rs.
Capital	9,000	Rent outstanding	1,000
Plant and Machinery	12,000	Opening stock	2,000
Purchase	8,000	Sales returns	4,000
Sales	12,000	Investments	14,000
Sundry creditors	8,000	Debtors	12,000
Bank loan	22,000		

12. Explain the key Components of a Fund Flow statement.
13. Differentiate between absorption Costing vs Marginal Costing.
14. Draw up a flexible budget for production at 75% and 100% capacity on the basis of the following data for a 50% activity.

	Per Unit Rs.
Materials	100
Labour	50
Variable expenses (direct)	10
Administrative expenses (50% fixed)	40,000
Selling and distribution expenses (60% fixed)	50,000
Present production (50% activity)	1,000 units

15. Distinguish between direct cost and indirect cost.

PART C — (5 × 8 = 40 marks)

Answer ALL questions.

16. (a) Journalise the following transactions of M/s. Radha and Sons.
2023 Rs.

April 1	Business started with Rs. 2,50,000 and cash deposited with Bank	1,50,000
3	Purchased machinery on credit from Rangan	50,000
6	Bought furniture from Ramesh for cash	25,000
12	Goods sold to Yesodha	22,500
13	Goods returned by Yesodha	2,500
15	Goods sold for cash	50,000
20	Cash received from Yesodha	10,000
25	Cash withdrawn from bank	12,500
29	Paid advertisement expenses	15,000
31	Paid salaries	10,000

Or

- (b) From the following balances as at 31st December 2024 of a trader, prepare a Trading and Profit and Loss A/c for the year 2024 and a Balance Sheet as on that date

	Rs.		Rs.
Salaries	5,500	Creditors	9,500
Rent	1,300	Sales	32,000
Cash	1,000	Capital	30,000

	Rs.		Rs.
Debtors	40,000	Loans	10,000
Trade expenses	600		
Purchases	25,000		
Advances	2,500		
Bank balance	5,600		
	81,500		81,500

Adjustments:

- (i) The closing stock amounted to Rs.9,000
- (ii) One month's Salary is outstanding.
- (iii) One month's rent has been paid in advance.
- (iv) Provide 5 per cent for double debts.

17. (a) Classify and explain the types of working capital.

Or

- (b) Analyse the various importance of Fund Flow Statements

18. (a) Discuss the significance of marginal Costing in Decision Making

Or

- (b) From the following data calculate:

- (i) P/V Ratio;
- (ii) Variable cost and
- (iii) Profits

Sales Rs. 80,000

Fixed expenses Rs. 15,000

Break even point Rs. 50,000

19. (a) Enumerate the Essentials of Goods Budgetary Control.

Or

- (b) A Glass manufacturing company requires you to calculate and present the budget for the next year from the following information.

Sales:

Toughened glass	Rs.3,00,000
Bent toughened glass	Rs.5,00,000
Direct material cost	60% of sales
Direct wages	20 workers @ Rs.150 p.m
Factory overheads:	
Indirect labor:	
Works manager Rs.500 per month	
Foremen Rs.400 per month	
Stores and spares	2.5% on sale
Depreciation on machinery	Rs.12,600
Light and power	Rs. 5,000
Other sundries	10% on direct wages
Administration selling and distribution	Rs. 14,000 Per year
Repairs and maintenance	Rs. 8,000

20. (a) The cost of scale of product A is made up as follows:

	Rs.		Rs.
Machinery used in manufacturing	60,000	Materials used in office	1,250
Administration Expenses	1,250	Selling expenses	3,500
Materials used in primary packing	10,000	Labour required in producing	10,000
Depreciation on office building	750	Freight on materials purchased	5,000
Materials used in effing the product	1,500	Labour required for factory supervision	2,000
Materials used in factory	750	Advertising	1,250
Depreciation on factory building	1,750	Indirect expenses-factory	1,000

Assuming that all the products manufactured are sold, what should be the selling price to obtain a profit of 20% on selling price?

Or

- (b) Elaborate the important methods of costing in a firm.