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First Semester MBA Degree Examination, June/July 2025 Accounting for Managers

Time 3 hrs.

Max. Marks: 100

- Note: 1. Answer any FOUR full questions from Q.No.1 to Q.No.7.
2. Question No. 8 is compulsory.
3. M : Marks, L: Bloom's level, C: Course outcomes.*

			M	L	C																										
Q.1	a.	Define Financial Accounting.	3	L1	CO1																										
	b.	From the following information, prepare Trial Balance as on 31/3/2023. <table border="1"><thead><tr><th>Heads of Accounts</th><th>Rs</th></tr></thead><tbody><tr><td>Rajesh's capital</td><td>4,00,000</td></tr><tr><td>Rajesh's drawings</td><td>50,000</td></tr><tr><td>Salaries</td><td>25,000</td></tr><tr><td>Purchases</td><td>1,25,000</td></tr><tr><td>Debtors</td><td>50,000</td></tr><tr><td>Interest received</td><td>2,000</td></tr><tr><td>General expenses</td><td>4,800</td></tr><tr><td>Sales</td><td>3,00,000</td></tr><tr><td>Carriage inwards</td><td>9,200</td></tr><tr><td>Buildings</td><td>2,50,000</td></tr><tr><td>Bank loan</td><td>1,25,000</td></tr><tr><td>Cash in hand</td><td>3,13,000</td></tr></tbody></table>	Heads of Accounts	Rs	Rajesh's capital	4,00,000	Rajesh's drawings	50,000	Salaries	25,000	Purchases	1,25,000	Debtors	50,000	Interest received	2,000	General expenses	4,800	Sales	3,00,000	Carriage inwards	9,200	Buildings	2,50,000	Bank loan	1,25,000	Cash in hand	3,13,000	7	L6	CO2
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	c.	Explain in detail the various Accounting concepts.	10	L3	CO1																										
Q.2	a.	What is Tax Evasion?	3	L2	CO1																										
	b.	Prepare Accounting equations from the following : 1. Arpitha commenced business with cash 4,00,000. 2. Opened a bank account and deposited 2,00,000 3. Bought goods from Bharath stores and paid by cheque 25,000. 4. Paid wages 2,000 5. Sold goods to Virat costing 8,000 for 14,000 6. Machinery purchased from BHEL 40,000. 7. Virat paid in full settlement of his A/c 12,000.	7	L3	CO3																										

c.	Following is the Balance Sheet of ITC Ltd., as on 31/03/2022 and 31/03/2023. Prepare a Comparative statement and analyse it.				10	L6	CO3

	c.	Journalise the following transactions in the books of Sri Vinayaka Enterprises for the month of April 2023.	10	L6	CO2																																													
		<table><tr><td>1st</td><td>Commenced business with cash Rs 1,00,000 , Buildings Rs 2,50,000 and Furniture Rs 50,000.</td></tr><tr><td>4th</td><td>Opened a Bank A/c with ICICI by depositing Rs 25,000.</td></tr><tr><td>5th</td><td>Purchased goods from Ekdanta Agencies worth Rs 10,000</td></tr><tr><td>8th</td><td>Paid for postages Rs 400</td></tr><tr><td>10th</td><td>Sold goods to Vigneshwara & Co. for cash Rs 18,000.</td></tr><tr><td>11th</td><td>Paid to Ekdanta Agencies Rs 9800 in full settlement of account.</td></tr><tr><td>15th</td><td>Insurance premium paid by cheque Rs 5,000.</td></tr><tr><td>18th</td><td>Goods withdrew for personal use Rs 4,000.</td></tr><tr><td>25th</td><td>Purchased furniture from Royal Oak worth Rs 4,500 for cash</td></tr><tr><td>28th</td><td>Paid office salaries and rent to the extent of Rs 8,000 and Rs 5,000 respectively.</td></tr></table>	1 st	Commenced business with cash Rs 1,00,000 , Buildings Rs 2,50,000 and Furniture Rs 50,000.	4 th	Opened a Bank A/c with ICICI by depositing Rs 25,000.	5 th	Purchased goods from Ekdanta Agencies worth Rs 10,000	8 th	Paid for postages Rs 400	10 th	Sold goods to Vigneshwara & Co. for cash Rs 18,000.	11 th	Paid to Ekdanta Agencies Rs 9800 in full settlement of account.	15 th	Insurance premium paid by cheque Rs 5,000.	18 th	Goods withdrew for personal use Rs 4,000.	25 th	Purchased furniture from Royal Oak worth Rs 4,500 for cash	28 th	Paid office salaries and rent to the extent of Rs 8,000 and Rs 5,000 respectively.																												
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Q.6	a.	State the reasons for difference between Cash book balance and Pass book balance.	3	L1	CO1																																													
	b.	Explain the need of IFRS.	7	L2	CO1																																													
	c.	Mr. Good boy furnishes you the following information. Prepare Three column cash book.	10	L6	CO3																																													
		<table><tr><th>Date</th><th>Particulars</th><th>Rs</th></tr><tr><td>2023 March 1</td><td>Opening Balance of Cash</td><td>15,000</td></tr><tr><td>2nd</td><td>Bank Balance</td><td>2,20,000</td></tr><tr><td>4th</td><td>Insurance premium paid by cheque</td><td>6,000</td></tr><tr><td>5th</td><td>Issued a cheque for goods purchased</td><td>28,000</td></tr><tr><td>8th</td><td>Sold goods and received cheque from Rahul</td><td>30,000</td></tr><tr><td>10th</td><td>Goods sold to Modi for cash</td><td>19,000</td></tr><tr><td>15th</td><td>Rent paid by cheque</td><td>36,000</td></tr><tr><td>17th</td><td>Purchased office furniture</td><td>4,500</td></tr><tr><td>17th</td><td>Deposited into bank</td><td>2,000</td></tr><tr><td>21st</td><td>Purchased goods from Narayan Murthy</td><td>25,000</td></tr><tr><td>24th</td><td>Withdrew from bank for office use</td><td>45,000</td></tr><tr><td>28th</td><td>Paid to Narayan Muthy in full settlement</td><td>22,000</td></tr><tr><td>28th</td><td>Sold goods to Mahipal</td><td>8,000</td></tr><tr><td>30th</td><td>Mahipal paid in cash 7500 and discount allowed 500</td><td>-</td></tr></table>	Date	Particulars	Rs	2023 March 1	Opening Balance of Cash	15,000	2 nd	Bank Balance	2,20,000	4 th	Insurance premium paid by cheque	6,000	5 th	Issued a cheque for goods purchased	28,000	8 th	Sold goods and received cheque from Rahul	30,000	10 th	Goods sold to Modi for cash	19,000	15 th	Rent paid by cheque	36,000	17 th	Purchased office furniture	4,500	17 th	Deposited into bank	2,000	21 st	Purchased goods from Narayan Murthy	25,000	24 th	Withdrew from bank for office use	45,000	28 th	Paid to Narayan Muthy in full settlement	22,000	28 th	Sold goods to Mahipal	8,000	30 th	Mahipal paid in cash 7500 and discount allowed 500	-			
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Q.7	a.	What do you mean by window dressing?	3	L1	CO1																																													
	b.	M/s Dara Singh and Brothers purchased a truck costing 4,80,000 and spent 70,000 on its additional fittings on 01/12/2020. They sold the truck on 30/06/2022 for 3,75,000 and on the same day another truck was purchased for Rs 8,00,000. The company charges depreciation @ 10% on original cost every year. You are required to prepare Truck A/c and Depreciation A/c for 3 years assuming books of A/c's are closed 31 st March every year.	7	L6	CO2																																													

c.	M/s Dhruvataare Ltd., provides you the following info. Prepare Cash Flow statement as per AS – 3.	10	L6	CO3																																																						
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Q.8	<p>Case Study (Compulsory) :</p> <p>Following were the balances extracted from the books of Ramesh Traders as on March 31st 2023.</p> <table><tr><td>Name of the Accounts</td><td>Debit (Rs)</td><td>Credit (Rs)</td></tr><tr><td>Drawings and Capital</td><td>15,000</td><td>1,20,000</td></tr><tr><td>Trade receivables and payables</td><td>82,000</td><td>58,000</td></tr><tr><td>Machinery</td><td>20,000</td><td>-</td></tr><tr><td>Purchases and sales</td><td>2,52,000</td><td>3,55,000</td></tr><tr><td>Wages</td><td>39,000</td><td>-</td></tr><tr><td>Commission</td><td>-</td><td>5,500</td></tr><tr><td>Rent and taxes</td><td>6,000</td><td>-</td></tr><tr><td>Stock [01-04.2022]</td><td>90,000</td><td>-</td></tr><tr><td>Salaries</td><td>10,500</td><td>-</td></tr><tr><td>Travelling expenses</td><td>2,000</td><td>-</td></tr><tr><td>Insurance</td><td>600</td><td>-</td></tr><tr><td>Repairs and renewals</td><td>3,400</td><td>-</td></tr><tr><td>Bad Debts</td><td>3,500</td><td>-</td></tr><tr><td>Furniture</td><td>9,000</td><td>-</td></tr><tr><td>Cash & Cash equivalents</td><td>2,500</td><td>-</td></tr><tr><td>Returns</td><td>5,000</td><td>2,000</td></tr><tr><td>Total</td><td>5,40,500</td><td>5,40,500</td></tr></table> <p>Additional Information :</p> <p>a) Stock as on 31/03/2023 stood at Rs 1,00,000. b) Create 5% provision on Trade receivables. c) Insurance prepaid to the extent of Rs 150 d) O/s wages Rs 1,000 and salaries Rs 1,500. e) Depreciate machinery by 5% and furniture by 10%. f) Prepare Final Accounts.</p>	Name of the Accounts	Debit (Rs)	Credit (Rs)	Drawings and Capital	15,000	1,20,000	Trade receivables and payables	82,000	58,000	Machinery	20,000	-	Purchases and sales	2,52,000	3,55,000	Wages	39,000	-	Commission	-	5,500	Rent and taxes	6,000	-	Stock [01-04.2022]	90,000	-	Salaries	10,500	-	Travelling expenses	2,000	-	Insurance	600	-	Repairs and renewals	3,400	-	Bad Debts	3,500	-	Furniture	9,000	-	Cash & Cash equivalents	2,500	-	Returns	5,000	2,000	Total	5,40,500	5,40,500	20	L6	CO3
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