

MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE, MADANAPALLE
(UGC-AUTONOMOUS)

MBA I Year I Semester (R20) Supplementary End Semester Examinations, April - 2024

ACCOUNTING FOR MANAGERS

Time: 3Hrs

Max Marks: 60

Attempt all the questions. All parts of the question must be answered in one place only.
In Q.no 1 to 5 answer either A or B only. Q.no 6 which is a case study is compulsory.

Q.No	Question	Marks	CO	BL
Q.1(A)	Elucidate the concepts and conventions of accounting in detail.	10M	1	2
OR				
Q.1(B)	Explain the Double entry book-keeping system with examples.	10M	1	2
Q.2(A)	Classify the Capital and Revenue expenses with example.	10M	2	4
OR				
Q.2(B)	From the following Trial Balance and additional information, you are required to prepare profit and loss account and balance sheet.	10M	2	3

TRIAL BALANCE as on 31st March, 2012

Particulars	Debit (₹)	Credit (₹)
Capital		1,28,500
Bills receivable and payables	50,000	5,000
Plant and Machinery	60,000	
Sundry debtors and Creditors	70,000	46,000
Fuel	1,500	
Wages	12,500	
Duty and clearing charges	1,500	
Rent	5,200	
Purchases and Sales	1,30,500	2,45,000
Opening stock	25,000	
Returns	3,000	2,000
Provision for doubtful debt		1,000
Furniture	3,500	
Cash in hand	1,610	
Cash at bank	5,800	
Drawings	12,000	
Carriage inwards	7,500	
Salaries	28,290	
Insurance	400	
Carriage outwards	6,200	
Total	4,27,500	4,27,500

Adjustments:

1. Closing Stock ₹ 50,000.
2. Outstanding salaries ₹ 4,800, Outstanding rent ₹ 2,400.
3. Write off ₹ 4,000 as bad debts.
4. Maintain provision for doubtful debts at two and half percentage on debtors.
5. Depreciation on plant and machinery at 10%, on furniture at 10%.
6. Interest on capital at 5% p.a.

Q.3(A)	What is meant by Cost-Volume-Profit Analysis? Explain its application in managerial decision making.	10M	3	2																
OR																				
Q.3(B)	Pragathi Limited issued 10,000 equity shares of ₹ 10 each payable at ₹ 2.50 on application, ₹ 3 on allotment, ₹ 2 on first call, and the balance of ₹ 2.50 on second and final call. All the shares were fully subscribed and paid except of a shareholder having 100 shares who could not pay for second and final call. Give journal entries to record these transactions.	10M	3	3																
Q.4(A)	Compare and contrast differential Marginal Costing.	10M	4	2																
OR																				
Q.4(B)	Viswa Manufacturers Ltd. has supplied you the following information in respect of one of its products: Total fixed costs ₹180,000 Total variable costs ₹ 1,50,000 Total sales ₹ 6,00,000 Units sold 20,000 Find out (a) contribution per unit, (b) break-even point, (c) margin of safety, (d) profit, and (e) volume of sales to earn a profit of ₹.5,00,000.	10M	4	3																
Q.5(A)	Distinguish between manual accounting and Computerised accounting	10M	5	4																
OR																				
Q.5(B)	Discuss the features, merits and demerits of Computerised Accounting.	10M	5	5																
Q.6	Case Study	10M		3																
	<p>The Directors of NGS Ltd. provide you the following data relating to the Computer Component manufactured by them:</p> <table style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td>Sales 4,000 units @Rs.50 each</td> <td style="text-align: right;">₹ 2,00,000</td> </tr> <tr> <td colspan="2">Production cost details:</td> </tr> <tr> <td>Materials consumed</td> <td style="text-align: right;">80,000</td> </tr> <tr> <td>Labour cost</td> <td style="text-align: right;">40,000</td> </tr> <tr> <td>Variable overheads</td> <td style="text-align: right;">20,000</td> </tr> <tr> <td>Fixed overheads</td> <td style="text-align: right;">30,000</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">1,70,000</td> </tr> <tr> <td style="text-align: right;">Profit</td> <td style="text-align: right; border-top: 1px solid black;">30,000</td> </tr> </tbody> </table>				Sales 4,000 units @Rs.50 each	₹ 2,00,000	Production cost details:		Materials consumed	80,000	Labour cost	40,000	Variable overheads	20,000	Fixed overheads	30,000		1,70,000	Profit	30,000
Sales 4,000 units @Rs.50 each	₹ 2,00,000																			
Production cost details:																				
Materials consumed	80,000																			
Labour cost	40,000																			
Variable overheads	20,000																			
Fixed overheads	30,000																			
	1,70,000																			
Profit	30,000																			
<p>They require you to answer their following queries:</p> <ol style="list-style-type: none"> 1. The number of units by selling which the company will be at break-even. 2. The sales needed to earn a profit of ₹ 60,000. 3. The extra units which would be sold to obtain the present profit if it is proposed to reduce the selling price by 20% 																				

END

MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE, MADANAPALLE
(UGC-AUTONOMOUS)

MBA I Year I Semester (R20) Supplementary End Semester Examinations, April - 2024

BUSINESS STATISTICS FOR MANAGERS

Time: 3Hrs

Max Marks: 60

Attempt all the questions. All parts of the question must be answered in one place only.
In Q.no 1 to 5 answer either A or B only. Q.no 6 which is a case study is compulsory.

Q.No	Question	Marks	CO	BL																		
1(A)	Explain the role of Statistics in managerial decision making.	10M	1	2																		
OR																						
Q.1(B)	Find Bowley's Co-efficient of Skewness for the following data.	10M	1	4																		
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td style="width: 20%;">Monthly Income (in 000'Rs)</td><td style="width: 10%;">20-25</td><td style="width: 10%;">25-30</td><td style="width: 10%;">30-35</td><td style="width: 10%;">35-40</td><td style="width: 10%;">40-45</td><td style="width: 10%;">45-50</td><td style="width: 10%;">50-55</td><td style="width: 10%;">55-60</td></tr><tr><td>Number of employees</td><td>4</td><td>16</td><td>20</td><td>35</td><td>25</td><td>10</td><td>7</td><td>3</td></tr></table>					Monthly Income (in 000'Rs)	20-25	25-30	30-35	35-40	40-45	45-50	50-55	55-60	Number of employees	4	16	20	35	25	10	7	3
Monthly Income (in 000'Rs)	20-25	25-30	30-35	35-40	40-45	45-50	50-55	55-60														
Number of employees	4	16	20	35	25	10	7	3														
Q.2(A)	The probabilities of X, Y and Z becoming managers are $\frac{4}{9}$, $\frac{2}{9}$, $\frac{1}{3}$ respectively. The probabilities that the bonus scheme will be introduced if X, Y and Z becomes managers are $\frac{3}{10}$, $\frac{1}{2}$, and $\frac{4}{5}$ respectively. (i) What is the probability that the bonus scheme will be introduced? (ii) If the bonus scheme has been introduced what is the probability that the manager appointed was X?	10M	2	3																		
OR																						
Q.2(B)	A market researcher at a major automobile company classified house-holds by car ownership. The relative frequencies of households for each category of ownership are shown below:	10M	2	4																		
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td style="width: 30%;">Number of Cars Per House hold (X)</td><td style="width: 10%;">0</td><td style="width: 10%;">1</td><td style="width: 10%;">2</td><td style="width: 10%;">3</td><td style="width: 10%;">4</td><td style="width: 10%;">5</td></tr><tr><td>P(X)</td><td>0.10</td><td>0.30</td><td>0.40</td><td>0.12</td><td>0.06</td><td>0.02</td></tr></table>					Number of Cars Per House hold (X)	0	1	2	3	4	5	P(X)	0.10	0.30	0.40	0.12	0.06	0.02				
Number of Cars Per House hold (X)	0	1	2	3	4	5																
P(X)	0.10	0.30	0.40	0.12	0.06	0.02																
Find (i) Mean and Variance of X (ii) $P(X < 3)$ and $P(1 < X < 4)$ (iii) Distribution Function of X																						
Q.3(A)	If 10% of the rivets produced by a machine are defective, find the probability that out of 5 rivets chosen at random (i) none will be defective (ii) one will be defective (iii) at most two will be defective (iv) at least 3 will be defective	10M	3	4																		
OR																						
Q.3(B)	The weekly wages of 1000 workers are normally distributed around a mean of Rs.7000 with a standard deviation of Rs.500. Estimate the number of workers whose weekly wages will be (i) Between Rs.7000 and Rs.7200 (ii) More than Rs.7200 (iii) Less than Rs.6500	10M	3	3																		
Q.4(A)	(i) Explain type-I error and Type-II error (ii) A manufacturer claimed that at least 95% of the equipment which he supplied to a factory conformed to specifications. An examination of a sample of 200 pieces of equipment revealed that 18 were faulty. Test the claim at 5% level of significance	10M	4	3																		

OR

- Q.4(B) (i) Explain One-tailed and Two-tailed tests 10M 4 4
(ii) A sample of 26 bulbs gives a mean life of 990 hours with a standard deviation of 20 hours. The manufacturer claims that the mean life of bulbs is 1000 hours. Is the sample not up to the standard? Use 0.05 l.o.s

- Q.5(A) Obtain the correlation coefficient for the following data: 10M 5 3

X	68	64	75	50	64	80	75	40	55	64
Y	62	58	68	45	81	60	68	48	50	70

OR

- Q.5(B) The following data pertaining to Price and Sales of a commodity 10M 5 4

Price in Rs (X)	27	26	24	28	30	32	34	36	38	40
Sales in '00 Units (Y)	63	58	58	50	48	50	48	42	36	32

- (i) Construct the two regression equations for the following data.
(ii) Estimate the sales when price the price of the commodity is Rs.35

- Q.6 **Case Study** 10M 5

To know whether the type of beverage ordered with lunch at the restaurant is independent of the age of the consumer, a random poll of 309 lunch customers is taken, resulting in the following contingency table of observed values. Use the appropriate test to determine whether the two variables are independent at 5% l.o.s

Age	Preferred Beverage			
	Coffee / Tea	Fruit Juice	Cool drinks (Pepsi, Thumbs up, etc.,)	Total
Teen Age	26	18	95	139
Middle Age	41	40	20	101
Old Age	24	32	13	69
Total	91	90	128	309

END