



GL BAJAJ

Institute of Management & Research

Approved by A.I.C.T.E., Ministry of HRD, Govt. of India

Roll No.....

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.) – 201306

POST GRADUATE DIPLOMA IN MANAGEMENT (2019-21) END TERM EXAMINATION (TERM - I)

Subject Name: **Accounting for Managers**

Time: **02.00 hrs**

Subject Code: **PG-03**

Max Marks: **50**

Note:

- 1. Writing anything except Roll Number on question paper will be deemed as an act of indulging in unfair means and action shall be taken as per rules.**
- 2. All questions are compulsory in Section A, B & C. Section A carries 5 questions of 2 marks each, Section B carries 2 questions of 10 marks each and Section C carries 2 Case Studies of 10 marks each**

SECTION - A

02×05 = 10 Marks

- Q. 1 (A):** What do you mean by cash and cash equivalents?
- Q. 1 (B):** Explain the accounting equation based classification of accounts.
- Q. 1 (C):** Why it is important to prepare common size statement?
- Q. 1 (D):** Mention any two objectives of Financial Accounting.
- Q. 1 (E):** What do you understand by Accounting Information System.

SECTION - B

10×02 = 20 Marks

Q.2: M/s Lokesh Fabrics purchased a Textile Machine on April 01, 2011 for Rs. 1, 00,000 and spent Rs. 10000 for its installation. The machine was sold for Rs. 25,000 on October 01, 2015. The company charges depreciation @15% p.a. on written down value method. Prepare only machinery account till 31March, 2016.

Q. 3: How the various activities are classified (as per AS-3 revised) while preparing cash flow statement? Classify the following activities into operating activities, investing activities, financing activities.

- Cash receipt from debtors.
- Redemption of preference shares.
- Interim dividend paid on equity shares.
- Interest paid on long-term borrowings.
- Rent received on property held as investment.

SECTION - C

10×02 = 20 Marks

Q. 4: Suresh Ltd. maintains its inventory under perpetual Inventory system. From the business following transactions were recorded for the year 2018. **10 Marks**

Date	Transactions	Units	Unit Cost (Rs.)
May 4	Opening Stock	1400	12
May 7	Purchase	200	14
May 12	Sale	1000	
May 15	Purchase	1200	15
May 19	Purchase	400	17
May 27	Sale	800	
May 29	Sale	200	

From the above transactions, calculate value of closing inventories using FIFO (First in First out) Method.

Q. 5: What are various types of ratios? Calculate the Current and Quick Ratio from the Following Balance sheet of Rohit & Company as on March 31, 2018

Liabilities	Amount (INR)	Assets	Amount (INR)
Share Capital	190000	Fixed Assets	153000
Reserve & Surplus	35000	Stocks	55800
Bills Payables	18000	Debtors	28800
Creditors	54000	Cash at Bank	59400
	297000		297000