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PD-2804

SEAT No. :

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[6430]-501

F.Y. M.B.A.

MA-501-MJ/GC-01 : MANAGERIAL ACCOUNTING

(2024 Pattern) (Semester - I)

Time : 2½ Hours]

[Max. Marks : 50

Instructions to the candidates :

- 1) All questions are compulsory.
- 2) Each question carries 10 marks.
- 3) Each question has an internal options.
- 4) Use of simple calculator is allowed.

Q1) Solve Any Five out of Eight questions :

[5 × 2 = 10]

- a) i) Commission received is an example of _____
 - A) Real A/c
 - B) Personal A/c
 - C) Nominal A/c
 - D) None
- ii) Basic objective of cost accounting is _____
 - A) Tax compliance
 - B) Financial audit
 - C) Cost ascertainment
 - D) Profit analysis
- b) List down any four forms of organisation.
- c) Define standard costing.
- d) Difference between variable cost and fixed cost with example of each.
- e) Give one example of capital expenditure and revenue expenditure each.
- f) Describe the term opportunity cost.
- g) i) The point of profit at which total cost will be equal to total revenue is called
 - A) Break even point
 - B) Margin of safety
 - C) The profit lines
 - D) None of the above
- ii) Cash budget is prepared by
 - A) Purchase manager
 - B) Sales manager
 - C) Finance manager
 - D) Chief executive officer
- h) Describe cash budget.

P.T.O.

Q2) Solve any Two out of the three :

[2 × 5 = 10]

- Explain Bahi-khata along with its advantages and limitations.
- Explain the following concepts along with example.
 - Single entity concept
 - Ongoing concern concept
- Write a note on Break-even point along with diagram.

Q3) Attempt Any One :

[10]

- Following is the trail balance of Mahesh Traders for the year ended 31-3-2023. Prepare Trading A/c, profit and loss A/c for the year ended 31-3-2024, and Balance sheet as on that date

Trail Balance

Particulars	Debit (Rs)	Credit (Rs)
Rent Received		10,000
Sales		5,12,000
Creditors		56,600
Bank over draft		1,40,000
Bills Payable		23,000
Capital		4,05,000
Opening Stock	72,000	
Purchases	2,20,000	
Carriage Inward	8,000	
Wages	80,000	
Good Will	30,000	
Land	1,60,000	
Building	2,20,000	
Plant & Machinery	1,80,000	
Vehicles	70,000	
Furniture	20,000	
Advertisement	10,000	
Salaries	38,000	
Stationary	8,300	
Office Expenses	4,100	
Bank Charges	100	
Carriage Outwards	3,700	
Cash in Hand	400	
Debtors	12,000	
Int on Overdraft	10,000	
	11,46,600	11,46,600

Adjustment :

- i) Depreciate plant and Machinery at 15%, vehicles at 20% and furniture at 10%.
 - ii) Stock of 31-3-2024 is valued at Rs 58,000
 - iii) Outstanding wages are Rs 3800, outstanding salaries are Rs 4,500.
 - iv) Interest on Bank overdraft, for the last quarter of the year Rs 4,600 is not recorded so far.
 - v) Provided 5% on debtors for doubtful debts.
- b) The accounts of Rishabh Co. Ltd for the year ended 31/3/2023 show the following.

Design office salaries	65,000
Counting-house salaries	1,26,000
Cash-Discount allowed	29,000
Carriage and Cartage Outwards	43,000
Carriage and Cartage Inwards	71,500
Bad-debts written off	65,000
Repairs of Plant, Machinery & Tools	44,500
Rent, Rates, Taxes and Insurance (factory)	85,000
Rent, Rates, Taxes and Insurance (office)	20,000
Sales	46,11,000
Stock of material 31-3-2022	6,28,000
Stock of material 31-3-2023	4,80,000
Material Purchased	18,50,000
Travelling expenses	21,000
Traveler's Salaries and Commission	77,000
Productive wages	12,60,000
Depreciation-Plant, Machinery and tools	65,000
Depreciation furniture	3,000
Director's fees	60,000
Gas and Water (factory)	12,000
Gas and Water (office)	4,000
Manager's Salary (3/4 factory and 1/4 office)	1,00,000
General expenses	34,000
Income Tax	10,000
Dividend	20,000

Prepare a statement giving following information

- i) Material consumed
- ii) Prime cost
- iii) Factory on cost and percentage on wages
- iv) Factory cost
- v) General on cost and percentage on factory cost
- vi) Total cost
- vii) Net profit

Q4) Attempt any one :

[10]

- a) ABC Co. Ltd furnishes the following data.

	Rs.
Sales	1,50,000
Variable overheads	1,20,000
Gross profit	60,000
Fixed Overheads	20,000
Net Profit	40,000

Find

- i) P/V Ratio
- ii) BEP
- iii) Net profit when sales are Rs 4,00,000
- iv) Sales required to earn a profit of Rs 80,000
- v) Margin of safety when the sales are Rs 4,00,000

- b) Following information is given regarding production of 10,000 units.

Particulars	Cost per unit (Rs)
Direct Material	60
Direct Labour	30
Variable Overheads	25
Variable Expenses	5
Fixed Overhead (150000)	15
Management Overheads (50000)	5
Selling Expenses (20% fixed)	15
Distribution Expenses (20% fixed)	5
Total Cost	160

Prepare Flexible Budget for production of 9000 units; 11000 units, also calculate cost per unit.

Q5) Attempt Any One ;**[10]**

- a) From the following information, Compute Material Cost Variance, Material Price Variance, Material Mix Variance Material Usage Variance. Also answer do you think a favourable variance should be reported to management? Why?

	Standard			Actual		
	Quantity (kilos)	Unit price (Rs)	Total (Rs)	Quantity (kilos)	Unit price (Rs)	Total (Rs)
Material A	10	2	20	5	3	15
Material B	20	3	60	10	6	60
Material C	20	6	120	15	5	75
Total	50	4	200	30	5	150

- b) The result of XYZ Ltd for two periods revealed the following

Year	Sales	Total Cost
2023	40,00,000	44,00,000
2024	60,00,000	56,00,000

Find

- P/v Ratio
- BEP Sales
- Fixed Cost
- Sales necessary to earn profit of Rs 10,00,000.
- Sales required to earn 20% profit on sales.



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M.B.A.

101-GC-01 : MANAGERIAL ACCOUNTING
(2024 Pattern) (Semester - I)

Time : 2½ Hours]

[Max. Marks : 50

Instructions to the candidates :

- 1) *All questions are compulsory.*
- 2) *Each question carries 10 marks.*
- 3) *Each question has an internal options.*
- 4) *Use of simple calculator is allowed.*

Q1) Solve any five out of eight questions :

[5 × 2 = 10]

- a) i) Cost which have already been incurred and cannot be altered by any decision in the future is called as ____.
- ii) Interest on Drawing is treated as:
 - A) Expenditure for the business
 - B) Cost for the business
 - C) Gain for the business
 - D) None of the above
- b) i) Which item shows a credit balance in the Trial Balance?
 - A) Purchase Return
 - B) Sales Return
 - C) Prepaid Expenses
 - D) Carriage outward
- ii) What do you mean by standard costing?

P.T.O.

- c) i) Which one is the correct according to the Fundamental Accounting Equation?
- A) Assets = Capital – Outsiders Liabilities
 B) Capital = Assets + outsiders Liabilities
 C) Outsiders Liabilities = Capital – Assets
 D) Outsiders Liabilities = Assets – capital
- ii) Amount which is irrecoverable from debtors is treated as ____ .
- d) Write the classification of cost by behaviour.
- e) What do you mean by contribution?
- f) Write any two limitations of Mahajani Accounting system.
- g) What do you mean by Debit (Dr.) and Credit (Cr.)
- h) Write any two standards used to determine the standard cost per unit.

Q2) Solve any two out of the three :

[2 × 5 = 10]

- a) Differential between Indian Accounting system and Modern Accounting system.
- b) Explain Importance and Advantages of Cost Accounting.
- c) Explain the Accounting conventions using suitable examples.

Q3) Solve any one out of two :

[1 × 10 = 10]

- a) Solve the following

Material	Standard		Actual	
	Qty	Rate	Qty	Rate
A	10	10	12	11
B	9	8	10	7

- Calculate - i) Material cost variance
 ii) Material price variance
 iii) Material usage variance

b) From the following information compute

- i) Material cost variance
- ii) Material price variance
- iii) Material usage variance

Material	Standard	Actual
P	500 units @ ₹ 40 p.u	600 units @ 40 p.u.
Q	400 unit @ ₹ 60 p.u	400 units @ 65. p.u.

Q4) Solve any one out of two :

[1 × 10 = 10]

a) The RXX co. provided the following information.

Selling price	₹80 per unit
Total units sold	60,000
Direct Material cost	₹ 30 per unit
Direct Labour cost	₹ 15 per unit
Overheads (30% are variable)	₹10 per unit

You are required to analyse the following.

- i) Contribution
 - ii) P/V Ratio
 - iii) Break - Even - point in units
 - iv) Break - Even - point in sales
 - v) Margin of safety
- b) ABC Co. Furnished the Following information to arrange overdraft facility with bankers during the period April to June 2023 when it will be manufacturing most of the products. Prepare cash budget for the above period indicating the extent of the bank facilities the company will require at the end of each month:

Months	Sales ₹	Purchases ₹	Wages ₹
February	1,80,000	1,24,800	14,000
March	1,92,000	1,44,000	12,000
April	1,08,000	2,43,000	10,000
May	1,74,000	2,46,000	8,000
June	1,26,000	2,68,000	16,000

Additional information:

- 50% of the Credit sales are realised in the month of following the sales and the remaining 50% in the second month following (80% sales is on credit basis)
- Creditors are paid in the month following the purchases.
- Cash at bank on 1-4-2023 (estimated) ₹ 25,000
- Wages are paid fortnightly on every 1st and 16th of the every month
- Give your suggestion for the company whether to borrow overdraft from bank

Q5) Solve any one out of two :

[10]

- a) Given below is the Trial Balance of M/s. K.N. Fulari as on 31st March 2024. Prepare Trading, Profit and Loss A/C for the year ended 31st March 2024 and Balance sheet as on the date.

Trial Balance as on 31st March 2024

Particulars	Dr.(Amt.₹)	Cr.(amt.₹)
Stock on (1-4-2023)	30,000	
Purchase and sales	75,000	1,25,000
Drawings	2,000	
Returns	2,400	1,000
Sundry Expenses	600	
Wages	3,500	
Salaries	5,600	
Traveling expenses	1,600	
Advertisement	600	
Rent and Taxes	2,800	
Insurance	2,000	
Bad debts	600	
Discount	1,300	
Building	50,000	
Machinery	15,000	
Furniture	10,000	
Cash	3,000	
Capital		83,000
R.D.D.		600
Bank overdraft		6,400
Debtors and creditors	40,000	30,000
	2,46,000	2,46,000

Additional Information:

- i) Closing stock is valued at ₹45,000
 - ii) Insurance is paid upto the month end 30th June 2024.
 - iii) Write off ₹1000 for Bad debts and provide R.D.D. at 5% on debtors. Create Reserve for discount on debtors at 2% and discount on creditors at 3%.
 - iv) Depreciate Building by 5%, machinery by 10% and Furniture by 15% P.a.
 - v) Travelling expenses include ₹400 for private travelling of the proprietor.
- b) From the following information related to cost sheet for the year ending April 2024 using cost sheet identify, i) Raw Material consumed, ii) Prime cost, iii) Factory cost, iv) Cost of production, v) Cost of Goods sold, vi) cost of sales and vii) Profit.

Particulars	Amt.(₹)
Opening stock of Raw Materials	12,000
Opening stock of Finished Goods	40,000
Closing stock of Raw Materials	20,000
Closing stock of Finished Goods	50,000
Purchase of Materials	1,20,000
Direct labour	30,000
Cost of moulds	3,000
Salary of Factory managers	1,000
Machine Depreciation	800
Salary - office	9,000
Salary- selling and Distribution	6,000
Insurance - office premises	1,000
Insurance-Godown	800
Directors Fees	2,000
Telephone Charges	700
Showroom expenses	1,200
Expenses of delivery vans	1,500
Interest on debentures	700
Market Research Expenses	600
Sales	2,00,000

