

Oct/Nov-2022

Total No. of Questions : 5]

PA-4153

SEAT No. :

[Total No. of Pages : 6

[5946]-101

M.B.A. - I

(GC-01) MANAGERIAL ACCOUNTING
(2019 Pattern) (Semester - I) (101) (Theory)



Time : 2½ Hours]

[Max. Marks : 50

Instructions to the candidates:

- 1) All questions are compulsory.
- 2) Each question carries equal marks.

Q1) Solve any five

[5×2=10]

- a) The left hand side of an account is called the _____ side while the right hand side of an account is called the _____ side.
- b) Write any two objectives of financial statement.
- c) Give two examples of tangible and intangible assets?
- d) i) The long-term assets that have no physical existence but are rights that have value is known as
 - 1) Current Assets
 - 2) Fixed Assets
 - 3) Intangible Assets
 - 4) Tangible Assets
- ii) The process of entering all transactions from the Journal to Ledger is called
 - 1) Posting
 - 2) Entry
 - 3) Accounting
 - 4) None of the above

P.T.O.



e) i) _____ are the process and techniques of ascertainment of cost.

- 1) Cost
- 2) Costing
- 3) Cost Accounting
- 4) Cost Accountancy

ii) Element/s of Cost of a product are:

- 1) Material only
- 2) Labour Only
- 3) Expenses Only
- 4) Material, Labour and Expenses

f) What is Break-Even Point?

g) Define standard costing.

h) i) _____ budget is a budget which is designed to remain unchanged irrespective of the volume of output or turnover achieved.

- 1) Fixed
- 2) Flexible
- 3) Cash
- 4) Sales

ii) The main objective of budgetary control is:

- 1) to define the goal of the firm
- 2) to coordinate different departments
- 3) to plan to achieve its goals
- 4) all of the above

Q2) Solve any two

[2×5=10]

- Explain the Elements of Cost along with relevant examples.
- Differentiate between cost accounting and financial accounting.
- Who are the users of accounting information? Explain.



Q3) Solve any one

- The following trial balance has been extracted from the books of Rajesh on 31st March, 2021. [10]

Trial Balance

As on 31st March 2021

Debit Balance	Amount ₹	Credit Balance	Amount ₹
Drawings	44,000	Capital	1,76,000
Plant and machinery	1,00,000	Sales	4,72,000
Opening stock	20,000	Provision for bad and doubtful debts	2,000
Purchases	2,70,000	Bank overdraft	20,000
Wages	62,000	Discount received	6,000
Salaries	70,000	Sundry creditors	24,000
Insurance	45,000		
Rent and taxes	19,000		
Sundry debtors	70,000		
	7,00,000		7,00,000

The following adjustments are to be made:

- Stock on 31st March 2021 was Rs. 28,000
- Provision for doubtful debts is to be maintained at 5% on sundry debtors.
- Depreciate plant and machinery at 20%.

As an Accountant you are required to prepare trading and profit and loss account for the year ended 31st March 2021 and a balance sheet as on that date.



- b) The following figures extracted from the books of Alfa Ltd for the year ended on 31.3.2021. As a Cost Accountant you are required to prepare a statement of the cost to show the prime cost, factory cost, cost of production, total cost and calculate profit/loss for the year 2020-22. [10]

Particulars	Amount Rs.
Direct Materials	70000
Indirect Wages	10000
Factory Rent & Rates	50000
Indirect Materials	500
Depreciation of Office Assets	100
General Factory Expenses	5700
General Selling Expenses	1000
Office Salaries	4500
Advertisements	2000
Direct Wages	75000
Other Direct Expenses	15000
Office Rent & Rates	500
Depreciation of Machines	1500
Salary to Managing Directors	12000
Travelling Expenses	1100
General Office Expenses	1000
Carriage Outward	1000
Sales	250000



Q4) Solve any one

a) As a Cost Accountant, from the following information you are required to analyse :

- i) Profit volume ratio
- ii) BEP
- iii) Margin of safety
- iv) Profit if sales are Rs.1,00,000
- v) Sales required to earn a profit of Rs. 20,000

Year	Sales	Profit
2017	1,20,000	9,000
2018	1,40,000	13,000

b) Aadesh Enterprise Ltd. furnished you the following related to the year 2021. [10]

	Rs.
Sales	150000
Variable cost	120000
Gross Profit	60000
Fixed cost	20000
Net Profit	40000

You have appointed as Cost Accountant, analyse the following:

- i) P/V Ratio
- ii) BEP
- iii) Profit when sales are Rs. 400000
- iv) Sales required to earn a profit of Rs. 80000
- v) Margin of safety when sales are Rs. 400000

Q5) Solve any one

- a) M.K. Exports Ltd. wishes to arrange overdraft facilities with its bankers during the period April-June 2021 when it will be manufacturing mostly for stocks. A company is appointed you as a finance executive. As a finance executive you are required to evaluate and prepare a cash budget for this period from the following data, indicating the extent of the bank facilities the company will require at the end of each month. [10]

Period	Sales	Purchases	Wages
	Rs.	Rs.	Rs.
Feb. 2021	1,80,000	1,24,000	12,000
March 2021	1,92,000	1,44,000	14,000
April 2021	1,08,000	2,43,000	11,000
May 2021	1,74,000	2,46,060	10,000
June 2021	1,26,000	2,68,000	15,000

- i) 50 per cent of the sales are realised in the month following the sales and the remaining 50 per cent in the second month following.
- ii) Creditors are paid in the month following the month of purchase.
- iii) Cash at bank on 1st April 2021 is Rs. 25,000.
- b) As a finance executive you are required to assess Material Cost Variance, Material Price Variance and Material Usage Variance from the given information: [10]

	Standard			Actual		
	Qty.	Price	Value	Qty.	Price	Value
	Kgs.	Rs.	Rs.	Kgs.	Rs.	Rs.
Material A	100	5	500	100	4	400
Material B	80	4	320	90	5	450
Material C	40	2	80	50	3	150
	220		900	240		100

x x x

