(i) Printed Pages: 7 Roll No. ....

(ii) Questions : 14

Sub. Code : | 0 | 8 | 7 | 2 |

Exam. Code : | 0 | 0 | 2 | 2 |

Bachelor of Business Administration 2nd Semester

(2054)

MANAGERIAL ACCOUNTING

Paper—BBA126

Time Allowed : Three Hours] **[Maximum Marks : 80**

Note :— Attempt any **FOUR** questions from Section A. Each question in this section carries 5 marks. Attempt any two questions each from Sections B and C respectively. Each question in these sections carries 15 marks.

SECTION—A

1. Explain and illustrate Comparative Financial Statements.

2. What do you understand by Make or Buy Decision ?

3. Prepare a Common-Size Statement of Profit and Loss from the following information for the year ended 31st March, 2023 :

	Rs.
Revenue from Operations	2,00,000
Cost of Material Consumed	1,40,000
Finance Costs	16,000
Other Expenses	14,000
Other Income (Interest)	10,000

4. In a factory 20,000 units of product X were manufactured in the month of April 2023. From the following figures, prepare a Cost Sheet showing cost per unit :

	Rs.
Opening Stock of Raw Material	5,000
Purchases of Raw Material	55,000
Closing Stock of Raw Material	10,000
Direct Wages	25,000
Factory Overheads	40,000
Administration Overheads	20,000

5. The Selling Price of a particular product is Rs. 80 and the Marginal Cost is Rs. 40. During the year 10,000 units were produced of which 8,000 units were sold. There was no Opening Stock at the commencement of the year. Fixed Costs amounted to Rs. 2,00,000. You are required to prepare Income Statement using absorption costing.

6. From the following information calculate Cash Flows from Investing Activities :

Plant and Machinery in the beginning of the year (Net)	Rs. 5,00,000
Plant and Machinery at the end of the year (Net)	Rs. 6,00,000

Depreciation charged on Plant and Machinery Rs. 30,000

Plant and Machinery having book value of Rs. 15,000 was sold for Rs. 12,000.

SECTION—B

7. How does Management Accounting differ from Financial Accounting ? What are the limitations of Management Accounting ?

8. "Financial Statements are the end products of Accounting System". Elucidate this statement. Discuss the objectives of Financial Statements.

9. Prepare a Funds Flow Statement from the following Balance Sheet of Dhiman Ltd. :

Particulars	**31-3-2021 (Rs. in lakhs)**	**31-3-2020 (Rs. in lakhs)**
I. **Equity and Liabilities :**		
1. *Shareholders' funds* :		
Share Capital	2,50,000	2,00,000
Reserves & Surplus	70,000	50,000
2. *Non-Current Liabilities* :		
12% Debentures	80,000	1,00,000

Particulars	31-3-2021 (Rs. in lakhs)	31-3-2020 (Rs. in lakhs)
3. *Current Liabilities* :		
Creditors	60,000	40,000
Bills Payable	1,00,000	20,000
Outstanding Expenses	20,000	25,000
Total	**5,80,000**	**4,35,000**
II. Assets :		
1. *Non-Current Assets* :		
Tangible Assets :		
Land & Buildings	2,80,000	2,00,000
Machinery	1,30,000	1,00,000
Intangible Assets :		
Goodwill	2,000	10,000
2. *Current Assets* :		
Debtors	60,000	40,000
Stock	90,000	70,000
Cash	18,000	15,000
Total	**5,80,000**	**4,35,000**

10. With the help of the following information prepare the Balance Sheet of Goyal Ltd. :

Stock Velocity	6
Capital Turnover Ratio	2
Fixed Assets Turnover	4
Gross Profit Turnover Ratio	20%
Debtors Velocity	2 months
Creditors Velocity	73 days

The Gross Profit was Rs. 60,000. Reserve and Surplus amount to Rs. 20,000. Closing Stock was Rs. 5,000 in excess of Opening Stock.

SECTION—C

11. Discuss various basis of classification of cost and various types of costs.

12. Explain and illustrate Marginal Costing. How it differs from Absorption Costing ? Also give advantages of Marginal Costing.

13. The Sales and Profits of a firm during two years were as follows :

Year	Sales (Rs.)	Profit (Rs.)
2020	1,50,000	20,000
2021	1,70,000	25,000

You are required to calculate :

(a) P/V Ratio.

(b) Break-even Point.

(c) The sales required to earn a profit of Rs. 40,000.

(d) The profits made when sales are Rs. 2,50,000.

(e) Margin of safety at profit of Rs. 50,000.

(f) Variable Costs of the two period.

14. Gupta Ltd. presents the following information for a year :

Materials	Rs. 1,20,000
Labour Cost	Rs. 2,40,000
Fixed Overheads	Rs. 1,20,000
Variable Overheads	Rs. 60,000
Selling Price per unit	Rs. 40
Units Produced	15,000

The available capacity is 20,000 units of production in a year. The company has an offer to sell 5,000 additional units at Rs. 30 each in a foreign market. It is anticipated that by accepting this offer there will be a saving of Rs. 1 per unit in material cost on all units manufactured but fixed expenses will increase by Rs. 20,000 and an overall efficiency will drop by 3% on all production. Whether this offer be accepted ?