



ST. FRANCIS DE SALES COLLEGE

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Electronics City P.O. Bengaluru - 560 100, Karnataka, INDIA • (+91) 8088140679 • pro@sfscollege.in • www.sfscollege.in

END SEMESTER EXAMINATION – APRIL 2025

MANAGEMENT – I SEMESTER MBA

24MBA13 – ACCOUNTING FOR MANAGERS

Time: 3 Hours

Max. Marks: 70

Instruction: Answer should be written completely in English

SECTION - A

Answer any FIVE questions. Each question carries FIVE marks.

(5x5=25)

1. Discuss the different sources of information used in financial statement analysis.
2. What are Indian Accounting Standards (Ind AS)? Why are they important?
3. What is the Du-Pont model? How does it help in financial analysis?
4. Differentiate between direct costs and indirect costs with examples.
5. Define Marginal Costing and explain its significance in decision-making.
6. What are the factors to be considered in a Make or Buy decision?
7. Prepare Comparative Balance sheet of XY Manufacturing Ltd.

Balance sheet as on 31st Dec, 2020 and 2021

Liabilities	2020	2021	Assets	2020	2021
Share Capital	30,000	36,000	Fixed assets	60,000	75,000
Reserve and surplus	12,000	15,000	Current asset	14,000	13,500
Loans	17,000	22,500			
Current Liabilities	15,000	15,000			
Total	74,000	88,500		74,000	88,500

SECTION - B

Answer any THREE questions. Each question carries TEN marks.

(3x10=30)

8. Calculate the following ratios:

- a) Gross Profit Ratio
- b) Net Profit Ratio
- c) Current Ratio



d) Liquid Ratio
 e) Proprietary Ratio

Particulars	Amount
Sales	30,00,000
Cost of sales	20,00,000
Net Profit	4,00,000
Average Inventory	8,00,000
Other Current Asset	7,00,000
Fixed Assets	15,40,000
Net Worth	15,00,000
Debts (Long Term)	9,00 ,000
Current Liabilities	5,00,000
Net Profit before Tax and Interest	8,00,000

9. Prepare Balance sheet as on 31st March 2020 as per Revised Schedule III of the Indian companies Act 2013.

Particulars	Amount	Particulars	Amount
Office Stationary	2,40,300	General Reserve	2,07,500
9% Debentures	1,22,500	Creditors	1,30,750
Tools and Equipment	81,500	Mortgage Loan	1,55,000
Land and Building	9,00,000	8% Preference shares	2,75,000
Patent	41,625	Equity Share Capital	7,50,000
Debtors	95,000	Staff Welfare Fund	42,500
Advertising	15,000	Provision for Taxation	13,275
Stores and Spaces	50,100		
Interest Accrued on investment	25,500		
Cash	11,500		

10. Write a note on cloud computing Forensic Accounting.

11. You are required to prepare a cost sheet from the following showing cost per unit sold and profit for the period.

Particulars	Amount
Direct Material Consumed	20,000
Direct Labour Charges	10,000



Machine hour worked	1,000
Machine hour rate	6
Administrative Overheads	20% on work cost
Selling Overheads	Rs 0.50 per unit
Units Produced	18,000 Units
Units Sold	17000 units @ Rs 4 per unit

SECTION - C

Compulsory question (Case study). The question carries FIFTEEN marks. (1x15=15)

12. a) The turnover and profits of the two years were as follow:

Particulars	Sales Unit in Rs	Profit/Loss
I Year	8,000	15,000 Loss
II Year	10,000	15000 Profit

The selling price per unit is Rs 120.

Calculate:

- a) P/V Ratio.
- b) Fixed Cost
- c) Sales at Break Even Point
- d) The number of units to be sold to earn a profit of Rs 45,000.
- e) Profit when sales are 30,000 Units.

(8 marks)

b) The following are the budgeted expenses for a factory operating at 70% level of activity with 1400 hours:

Variable 2,800
Semi Variable 3,200
Fixed 4,000

The semi variable expenses go up by 15% between 80 and 90 % level of activity and by 20% above 90% activity. Prepare a flexible budget for 80, 90 and 100 % level of activity and calculate recovery rate per hour. **(7 marks)**

