Roll No. ☐☐☐☐☐☐☐☐☐☐☐☐ **Total No. of Pages : 04**

Total No. of Questions : 10

MBA / MBA(IB/Fintech) (Sem.–1)

ACCOUNTING FOR MANAGEMENT AND REPORTING

Subject Code : MBA-104-18

M.Code : 75405

Date of Examination: 20-06-2025

Time : 3 Hrs. **Max. Marks : 60**

INSTRUCTION TO CANDIDATES :

1. **SECTION-A contains EIGHT questions carrying TWO marks each and students has to attempt ALL questions.**
2. **SECTION-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and student has to attempt any ONE question from each Subsection.**
3. **SECTION-C is COMPULSORY and carries TWELVE marks.**

SECTION-A

1. **Write short notes on the following:**

   a. Liabilities

   b. Accounting Cycle

   c. Break Even Analysis

   d. Material Yield Variance

   e. Current Ratio

   f. Comparative Statement

   g. Human Resource Accounting

   h. Harmonization of Accounting Principles.

SECTION - B

UNIT - I

2. 'Financial accounting is the language of business to communicate with the stakeholders of business organization'. Elucidate. Also discuss the various accounting principles that are used for 6 book keeping and accounting.

3. What do you mean by banking company accounts? Describe the major differences in the preparing banking company accounts and accounts of a manufacturing company. Also describe the format of balance sheet of a banking company as prescribed by, the Banking Regulations Act.

UNIT - II

4. A Ltd. has been offered a choice to buy a machine between Machine 1 and Machine 2. The following data are provided.

	Machine 1	**Machine 2**
Annual output in units	10,000	10,000
Fixed Cost	Rs. 60,000	Rs. 32,000
Profit at above level	Rs. 60,000	Rs. 48,000

The market price of the product is expected to be Rs. 20 per unit. You are required to compute:

a. Break Even Point of each machine.

b. The level of sales at which both the machines earn equal profit.

c. The range of sales at which one is more profitable from the other.

5. Differentiate between standard costing and budgetary control. Discuss in detail the various types of budgets along with their suitable applications.

UNIT - III

6. Following is the Balance Sheet of Maruti Suzuki Co. Limited for the Financial Years 2022- 23 and 2021-22. You are required to prepare the comparative balance sheet of the company and analyse the change in the financial position of the company.

Capital and Liabilities	**2022-23 (Rs. in Crores)**	**2021-22(Rs. in Crores)**
Equity Share Capital	151	151
Reserves	61,640.30	55,182.50
Secured Loans	1,215.80	381.9
Current Liabilities	20,539.00	17,994.40
Provisions	1,050.80	945.7
Total Capital and Liabilities	**847596.90**	**74,655.50**
Assets		
Gross Block	37,892.40	31,625.80
Less: Accum. Depreciation	20,062.00	17,878.60
Net Block	**17,830.40**	**13,747.20**
Capital Work in Progress	2,904.10	2,936.50

Investments	49,184.30	42,034.70
Inventories	4,283.50	3,532.30
Sundry Debtors	3,301.40	2,034.50
Cash and Bank Balance	41.6	3,042.20
Loans and Advances	7,051.60	7,328.10
Total Assets	**84,596.90**	**74,655.50**

7. What do you mean by financial statement analysis? Describe the objectives of conducting financial statement analysis. Also discuss the various limitations and challenges of financial statement analysis.

UNIT - IV

8. **Discuss in detail the meaning and applications of the following:**

   a. Activity Based Costing

   b. Life Cycle Costing

9. What do you mean by IFRS? Briefly discuss the various IFRS issued by IASB. Also briefly describe the various challenges faced in India for implementing IFRS.

SECTION - C

10. **Case Study:**

Following are the financial ratios of Hero Motocorp Co. Ltd. for the financial years 2018-2019 to 2022-23:

Financial Ratios	**2022-23**	**2021-22**	**2020-21**	**2019-20**	**2018-19**
Investment Valuation Ratios					
Face Value	2	2	2	2	2
Dividend Per Share	100	95	105	90	87
Operating Profit Per Share (Rs. in Crores)	199.47	168.62	201.18	198.16	246.84
Net Operating Profit Per Share (Rs. in Crores)	1,691.64	1,463.88	1,541.73	1,443.69	1,684.83
Earnings Per Share	145.65	123.79	148.37	181.9	169.47
Book Value	834.14	788.79	759.8	706.97	643.25
Profitability Ratios					
Operating Profit Margin (%)	11.79	11.51	13.04	13.72	14.65
Gross Profit Margin (%)	9.84	9.29	10.85	10.88	12.86
Cash Profit Margin (%)	10.37	10.47	11.6	12.74	11.6
Net Profit Margin (%)	8.6	8.45	9.62	12.59	10.05
Return On Capital Employed (%)	23.31	20.75	25.8	27.71	39.03

Return On Net Worth (%) '	17.46	15.69	19.52	25.72	26.34
Return on Long Term Funds (%)	23.36	20.78	25.83	27.74	39.06
Liquidity and Solvency Ratios					
Current Ratio	0.92	0.81	0.75	0.88	1.36
Quick Ratio	0.7	0.62	0.54	0.65	1.14
Debt Coverage Ratios					
Interest Cover	196	126.97	179.59	177.94	583.64
Management Efficiency Ratios					
Inventory Turnover Ratio	23.57	26.05	20.96	26.41	31.38
Debtors Turnover Ratio	13.25	12.36	15.29	13.03	15.5
Investments Turnover Ratio	2.03	1.86	2.03	2.04	2.62
Fixed Assets Turnover Ratio	3.18	2.81	3.01	2.89	4.28
Total Assets Turnover Ratio	2.09	1.89	2.07	2.06	2.65
Asset Turnover Ratio	2.08	1.89	2.1	2.14	2.73
Cash Flow Indicator Ratios					
Dividend Payout Ratio Net Profit	68.65	76.75	64.02	53.32	56.05
Dividend Payout Ratio Cash Profit	56.01	60.78	52.12	43.52	47.58
Earning Retention Ratio	31.35	23.25	35.98	34.46	43.95
Cash Earning Retention Ratio	43.99	39.22	47.88	48.67	52.42

Using the above financial ratios, you are required to comment on the financial position as well as performance of Hero MotoCorp Co. Ltd.

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.