RAN-2008000206030001

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T. Y. B. Com. (Honors) (Sem. - VI) Examination October - 2025

Management Accountancy (Paper - VIII)

Time: 2 Hours] **[Total Marks: 50**

સૂચના : / Instructions

(1) ઉપરોક્ત દર્શાવેલ વિગતો ઉત્તરવહી પર અવશ્ય લખવી.
Fill up strictly the above details on your answer book.
(2) Figures to the right indicate full marks of the question.
(3) Question number 1 is compulsory.
(4) Show the necessary calculation as a part of the answer.

Seat No.:

Student's Signature

Q. 1. Answer the following as per instructions. (10)

1. The following transactions result in receipt of funds or utilization of funds. State that there is no impact on funding.
   (1) Bought a machine on credit of Rs. 50,000.
   (2) Bonus shares of Rs. 1,00,000 were given.
   (3) Non business expenses Rs. 15,000
   (4) Bad debt recover Rs. 25,000

2. Find the Opening cash balance from the following information of the cash flow statement

Particulars	Rs.
(1) Profit before change in working capital	7,50,000
(2) Cash flow from investing activities	(5,25,000)
(3) Cash flow from financing activities	2,00,000
(4) Increase in cash and cash equivalents	4,50,000
(5) Income Tax Paid	1,00,000
(6) Increase in current assets	1,00,000
(7) Increase in Current Liabilities	2,25,000
(8) Closing Balance of Cash and Bank Balance	5,75,000

3. For producing one unit of a product, the standard of the materials is:
   Material X: 30 kg. @ ₹ 8 per kg., and
   Material Y: 20 kg. @ ₹ 10 per kg.
   In a week, 2,000 units were produced. The actual consumption of materials was:
   Material X: 59,000 kg. @ ₹ 9 per kg. and
   Material Y: 48,000 kg. @ ₹ 9.5 per kg.
   Compute the material Cost variances.

4. Total production overhead expenses at different levels, is given below:
   Find out the fixed and variable overheads.
   At 70%....................................... Rs. 90,000
   At 90%....................................... Rs. 1,08,000

5. What is Zero Based Budgeting?

Q. 2. Rang Company Ltd. recently operates at 80% of its production capacity and produces 12,000 units annually. The information achieved at 80% production level is as follows: **(14)**

Sales...............Rs. 18,00,000
Factory Overheads:
Fixed expenses...............Rs. 1,80,000
Variable expenses..........20% of the prime cost
Semi-variable cost........Rs. 1,50,000
Administrative overheads (75% fixed).........Rs. 2,40,000
Sales and distribution expenses (40% fixed).........Rs. 1,20,000
The proportion of material and labour cost is 3:2. The rate of profit on sale is 15%. The semi-variable expenses varies by Rs. 18,000 with 10% variation in the level of production. Per unit selling price will be remain same.

Prepare Flexible Budget at the level of 70% and 100% production capacity with per units.

Q. 3. The following are balance sheet of Honey co. Ltd.as on 31-3-24 and 31-3-23. **(14)**

Equity and Liability	Note	2023-24 (Rs.)	2022-23 (Rs.)
1. Shareholders Funds			
(A) Share capital			
Equity shares of Rs.10 each Fully paid up		24,00,000	16,00,000
12% Redeemable preference shares of Rs. 100 each Rs. 70 paid		-	5,60,000
(B) Reserves and surplus			
General Reserve		4,00,000	6,40,000
Security Premium		80,000	1,20,000
Profit & Loss A/C		6,00,000	2,80,000
2. Non -Current liability			
(A) Long term borrowing			
10% Debenture		8,00,000	-
3. Current liability			
(A)Trade payable			
Creditors		4,80,000	4,00,000
Bills Payable		-	1,60,000
(B) Short Term Provisions			
Provision on Tax		2,92,000	2,20,000
Proposed dividend		2,88,000	1,60,000
Total		**53,40,000**	**41,40,000**

Equity and Liability	Note	2023-24 (Rs.)	2022-23 (Rs.)
II Assets			
1. Non- Current Assets			
(A)Fixed Assets			
1. Tangible Fixed Assets			
Land -Building		20,00,000	12,80,000
Machinery		16,00,000	11,20,000
2. Intengible Assets			
Goodwill		4,80,000	6,40,000
(B) Non-Current Investment		-	3,20,000
(C) Other Non-Current Assets			
Expenses of share issue		52,000	28,000
2. Current Assets			
(A) Inventory			
Stock		4,00,000	2,40,000
(B) Trade Receivable			
Debtors		3,20,000	3,52,000
Bills receivable		80,000	80,000
(C) Cash and Cash Equivalent			
Cash balance		88,000	80,000
Bank balance		3,20,000	-
Total		**53,40,000**	**41,40,000**

Additional information

(1) The company has issued bonus shares in the ratio of 2:1 to the equity shareholders from the capital redemption reserve.

(2) Preference shares redeemed at 5% premium in compliance with the provisions of the Companies Act. General reserves were used for this purpose.

(3) Debenture of Rs. 8,00,000 were issued at 5% discount.

(4) On building Rs. 2,40,000 and on machines Rs. 2,00,000 has been provided for depreciation.

(5) Taxation of Rs. 1,76,000 and last year's proposed dividend was paid during the year.

(6) Investments are sold at a profit of 20% on sale price.

(7) Share issue expenses during the year Rs. 40,000 has been paid.

From the above information prepare a cash flow statement as per accounting standard -3

Q. 4. Write Short Notes on (Any Two) **(12)**

1. Types of Responsibility accounting.
2. Difference between Fund Flow Statement and Cash Flow Statement.
3. Objective of Budgetary Control.
4. Merits and De-merits of ZBB.