IIHMR UNIVERSITY

School of Pharmaceutical Management

MBA Pharmaceutical Management

Batch-13th (2021-2023)

Second Year, Term 5 End Term Examination, November 2022

PHRM-748 Cost and Managerial Accounting in Pharma

Time - 3 Hour	**MM-50**

This question paper contains 2 printed pages.

Q1. Explain-

a. Difference between preference shares and preferential shares.
b. Cost is unexpired expenditure.
c. Calculate cash profit from net profit.
d. Calculate market Capitalization.
e. Is accrued income an asset? (1x5=5)

Q2. (a.) How would you select a growing pharmaceutical blue-chip Company with the help of ratio analysis? Illustrate with suitable numbers with set of presumptions. (8)

(b.) The Capital of P ltd is as follow-

9%preferenceshares of Rs 10 each	Rs 4lacs
Equity shares of Rs 10 each	Rs 8lacs
Total	Rs 12lacs

PAT Rs 2.70 lacs, Depreciation Rs 60000,Equity dividend 20%,MPS Rs 40.Tax rate 35%.
Calculate- dividend yield on Equity shares, EPS and PE ratio.

(3)

(c.) (i) Justify The growth of levered firm is not always faster than that of unlevered firm,
(ii) Differentiate between liquid asset and current asset. (2x2=4)

Q3. (a.) Explain the concept of cash flow as per AS3.

(5)

(b.) The following is the Balance Sheet of ABC Sons-

(Rs in '000)

Liabilities	Amount OB	Amount CB	Assets	Amount OB	Amount CB
Creditors	40	44	Cash	10	7
Partner's loan	25	-	Debtors	30	50
Bank loan	40	50	Stock	35	25
Capital	135	153	Machinery	80	55
			Land	40	50
			Building	45	60
Total	240	247		240	247

During the year, a machine costing Rs 10000 (Accumulated Depreciation Rs 3000) was sold for Rs 5000.The OB and CBof provision of depreciation on machine was Rs 25000 and Rs 40000. NP was Rs 45000. Prepare a CFS.(OB=opening balance, CB=closing balance)

(10)

Q4 (a.) Differentiate between FFO and CFO

(b.)Margin of safety and angle of incidence

(c.) Contribution

(2+2+1=5)

Q5 (a.) What is variance analysis ? Differentiate between Cost and Revenue variance. What would you suggest to control adverse Cost Variance in a Pharma Company?

(5)

(b.) Write short note on Zero based budgeting and Responsibility accounting.

(3+2=5)