

**S.No. : 214**

**BBA 3203**

**No. of Printed Pages : 07**

Following Paper ID and Roll No. to be filled in your Answer Book.

**PAPER ID : 37109**

Roll  
No.

--	--	--	--	--	--	--	--	--	--

**BBA & IMBA Examination, 2021-22**

**(Even Semester)**

**MANAGEMENT ACCOUNTING**

***Time : 3 Hours]***

***[Maximum Marks : 60***

**Note :-** Attempt all questions.

**SECTION – A**

1. Attempt all parts of the following : **8×1=8**

- (a) Write a difference between financial accounting and management accounting.
- (b) Explain the term management accounting in brief.

***[ P. T. O.***



- (c) If the actual cost of a material is ₹700 and standard cost is ₹ 675. What is the material cost variance and state whether it is favorable or adverse?
- (d) What is the full form of CVP analysis?
- (e) Name any two important budgets prepared by any organization.
- (f) Name the document of policies and procedures involved in implementation of budgetary control system.
- (g) What is the significance of interest coverage ratio?
- (h) Amount received from the sale of asset is what kind of activity in cash flow statement.

### SECTION – B

2. Attempt any two parts of the following :  $2 \times 6 = 12$

- (a) Discuss that "Management Accounting" is an extension of Cost Accounting".



- (b) For a company consider the following details  
all figure in m Rs.

Particulars	2017	2018	2019
Total current asset including cash and inventories	1,723.3	1,317.9	1,490.4
Total Current Liabilities	2,368.0	1,826.0	2,228.4
Cash and Equivalents	468.6	207.7	285.4
Inventories	758.5	781.0	700.4

Calculate quick ratio and cash ratio for the 3 years.  
Also analysis the data with your critical comment.

- (c) 100 skilled workmen, 40 semi-skilled workmen and 60 unskilled workmen were to work for 30 weeks to get a contract job completed. The standard weekly wages were ₹60 ₹36 and ₹24 respectively. The job were actually completed in 32 weeks by 82 skilled, 50 semi-skilled and 70 unskilled workmen who were paid ₹65, ₹40 and ₹20 respectively as weekly wages. Calculate Labour cost variance, labour rate variance, labour efficiency variance.

**[ P. T. O. ]**



- (d) "Principal Budget factor is of vital importance to management in profit planning". Comment.

### SECTION – C

**Note :-** Attempt all questions. Attempt any two parts from each question.  $8 \times 5 = 40$

- (a) What is the scope of Management Accounting?
- (b) Discuss various tools and techniques of Management Account.
- (c) What is the role of Management Accountant in the management process?
4. (a) What do you mean by financial statement analysis? What are its purpose?
- (b) Why cash flow is an important statement for a firm? Also mention its Indian Accounting Standard, IAS and IFRS standard.
- (c) How cash flow statement is differ from fund flow statement?
5. (a) What is the Break Even Analysis? List out the assumptions of the Break Even Analysis.



- (b) What do you understand by standard cost? State its advantages.
- (c) What is a responsibility center? Explain the purpose of different types of responsibility centers.
6. (a) What are the basic difference between Forecast and Budget?
- (b) Saurashtra Co. Ltd. wishes to arrange overdraft facilities with its bankers from the period August to October 2010 when it will be manufacturing mostly for stock. Prepare a cash budget for the above period from the following data given below :

Month	Sales (₹)	Purchases (₹)	Wages (₹)	Mfg Exp. (₹)	Office Exp. (₹)	Selling Exp. (₹)
June	1,80,000	1,24,800	12,000	3,000	2,000	2,000
July	1,92,000	1,44,000	14,000	4,000	1,000	4,000
August	1,08,000	2,43,000	11,000	3,000	1,500	2,000
September	1,74,000	2,46,000	12,000	4,500	2,000	5,000
October	1,26,000	2,68,000	15,000	5,000	2,500	4,000
November	1,40,000	2,80,000	17,000	5,500	3,000	4,500
December	1,60,000	3,00,000	18,000	6,000	3,000	5,000

[ P. T. O. ]



## Additional Information :

- (i) Cash on hand 1-08-2010 ₹25,000.
- (ii) 50% of credit sales are realized in the month following the sale and the remaining 50% in the second month following. Creditors are paid in the month following the month of purchase.
- (iii) Lag in payment of manufacturing expenses half month.
- (iv) Lag in payment of other expenses one month.
- (c) The expenses budgeted for production of 1,000 units in a factory are furnished below :

Particulars Per	Unit ₹
Material Cost	700
Labour Cost	250
Variable overheads	200
Selling expenses (20% fixed)	130
Administrative expenses (₹ 2,00,000)	200
<b>Total Cost</b>	<b>1,480</b>

Prepare a budget for production of 600 units and 800 units assuming administrative expenses are rigid for all level of production.

\*\*\*