

**B.B.A. SEM – II (2015 CBCS Course) : SUMMER - 2019**  
**SUBJECT : MANAGEMENT ACCOUNTING**

Day : Monday  
Date : 22/04/2019

S-2019-1951

Time : 10.00 AM TO 01.00 PM  
Max. Marks : 100

**N.B.**

- 1) Attempt **ANY FOUR** questions from Section – I and **ANY TWO** questions from Section – II.
- 2) Figures to the **RIGHT** indicate **FULL** marks.
- 3) Answer to both the sections should be written in **SAME** answer books.

**SECTION – I**

- Q.1** Define Management Accounting. Explain the advantages and limitations of Management Accounting. (15)
- Q.2** State and explain the advantages and limitations of Standard Costing. (15)
- Q.3** Distinguish between Financial Accounting and Management Accounting. (15)
- Q.4** What is 'Ratio Analysis'? Discuss the advantages and limitations of Ratios. (15)
- Q.5** Write short notes on **ANY THREE** of the following : (15)
- a) Variance Analysis
  - b) Need of Cost Accounting
  - c) P/V Ratio
  - d) Cash Flow Analysis
  - e) Classification of Ratios.

**SECTION – II**

- Q.6** From the following information relating to the manufacture of a product during the month of January 2018, you are required to prepare a Cost Sheet. (20)

Direct Raw Materials Rs. 1,60,000  
Direct wages Rs. 90,000  
Machine hours worked : 6000 hours  
Machine hour rate : Rs. 6 per hour  
Office overhead : 15 % of Works Cost  
Selling overheads : Rs. 2 per unit  
Units produced : 5,000 units  
Units sold : 5000 units @ Rs. 80 each

- Q.7** The sales turnover and profit during two years were as follows : (20)

Year	Sales (Rs.)	Profit (Rs.)
2017	1,40,000	15,000
2018	1,60,000	20,000

Calculate:

- a) P/V Ratio
- b) Break Even Point
- c) Sales required to earn a profit of Rs. 40,000
- d) Fixed Cost

**Q.8** Prepare a flexible budget from the following data :

**(20)**

Capacity	50%
Volume	10,000 units
Selling Price per unit	Rs. 200
Material	Rs. 100
Labour	Rs. 30
Factory Overhead	Rs. 30 (Rs. 12 fixed)
Administration Overhead	Rs. 20 (Rs. 10 fixed)

At 60% working, material cost per unit increases by 2% and selling price per unit falls by 2%.

At 80% working, material cost per unit increases by 5% and selling price per unit falls by 5%

Estimate the profit at 60% and 80% working.

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