647510 **BBA6MacA605x** **Seat No :________**

B.B.A. Semester - 6 (*CBCS*) Examination
April/May-2022 (NEW COURSE)
Management Accounting (Allied (New))

Time: 2:30 Hours **Marks: 70**

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate marks.

Que-1 Define Management Accounting. Explain Difference Between Management Accounting and Cost Accounting in Detail. (14)

OR

Que-1 What is Management Accounting? Discuss the Advantages and Limitations of Management Accounting.

Que-2 Jay Ltd. Provides the following data: (14)

Years	Sales (Rs.)	Total-cost (Rs.)
Sales (Rs.)	7,00,000	9,00,000
Profit or Loss(Rs.)	-20,000(Loss)	20,000

The selling price per unit can be assumed at Rs. 50. You are required to calculate:

1) The amount of Fixed Assets
2) Break Even Point (in units)
3) The number of units to earn a profit of Rs. 80,000

OR

Que-2 The following information relates to Shah Company Ltd.

Years	Sales (Rs.)	Total-cost (Rs.)
2019	2,00,000	2,15,000
2020	3,00,000	2,75,000

From the above mentioned information calculate:

1) Profit-Volume Ratio
2) Fixed Cost
3) Variable Cost in the year 2020
4) Break Even Point(in Rupees)
5) Probable sales when the loss is Rs. 5,000
6) Determine margin of safety when sales is Rs. 3,00,000

Que-3 Raj Ltd. manufactures a product with standard direct labour cost of which is Rs. 120 per unit whose manufacture involves the following: (14)

Type of workers	Hours	Rate(Rs.)	Amount(Rs.)
A	30	2	60
B	20	3	60
	50		120

During a period, 100 units of the product were produced. The actual labour cost of which was as follows:

Type of workers	Hours	Rate(Rs.)	Amount(Rs.)
A	3,200	1.50	4,800
B	1,900	4.00	7,600
	5,100		12,400

Calculate:

1) Labour Cost Variance
2) Labour Rate Variance
3) Labour Efficiency Variance

OR

Que-3 Bhakti Ltd. Started a new business on January 1, 2020 with a capital of Rs. 40,000. The estimated sales and purchases for the next 6 months are as under:

Particulars	January	February	March	April	May	June
Purchases(in Rs.)	24,000	40,000	48,000	48,000	52,000	48,000
Sales(in Rs.)	-	32,000	60,000	68,000	68,000	80,000

50% of purchases are paid in the same month; the balance is paid in the next month. 40% sales are on cash basis, the balance is realized in the next month. Manufacturing expenses payable every month will be Rs. 8,000. It has planned to purchase a machine for Rs.12,000 in February payable in same month.

Prepare a Cash Budget for the period of six months ending on June 30, 2020.

Que-4 Balance Sheets of BRS Ltd. as on 31-3-2021 and 31-3-2022 were as under: (14)

Capital	31-3-21 (Rs.)	31-3-22 (Rs.)	Assets	31-3-21 (Rs.)	31-3-22 (Rs.)
Equity Share Capital	1,25,000	1,25,000	Building	35,000	60,000
P&L A/c	-	45,000	Land	40,000	50,000
Debentures	25,000	50,000	Plant	80,000	55,000
Bank Loan	40,000	44,000	Stock	35,000	25,000
Creditors	40,000	-	Debtors	30,000	50,000
			Cash	10,000	24,000
	2,30,000	**2,64,000**		**2,30,000**	**2,64,000**

Additional Information:

1) During the year, a plant costing Rs. 10,000 (accumulated depreciation Rs. 3,000) was sold for Rs. 5,000.
2) The provision for depreciation against plant as on 31-3-2021 was Rs. 25,000 and on 31-3-2022 Rs. 40,000.
3) Net profit for the year ending on 31-3-2022 amounted to Rs.45,000.

Prepare Cash Flow Statement.

OR

Que-4 The Balance Sheets of Nayana Ltd. as on Dec. 31, 2019 and 2020 are as under:

Capital	2019 (Rs.)	2020 (Rs.)	Assets	2019 (Rs.)	2020 (Rs.)
Equity Share Capital	2,00,000	2,50,000	Fixed Assets	3,50,000	4,75,000
Retained Earnings	1,60,000	3,00,000	Merchandise		
Premium on Shares	-	5,000	Inventory	1,00,000	95,000
Accumulated			Accounts		
Depreciation	80,000	60,000	Receivables	43,000	50,000
Debentures	60,000	-	Prepaid	4,000	5,000
Accounts Payables	37,800	40,200	Expenses	15,800	10,200
			Cash		
			Commission on	25,000	20,000
			Shares		
	5,37,200	**6,55,200**		**5,37,200**	**6,55,200**

Additional Information:

1) An addition to the fixed assets was made during the year at a cost of Rs. 1,65,000 and fully depreciated machinery costing Rs. 400 was discarded, no salvage value being realized.
2) Depreciation for the year was Rs. 20,000.
3) Income Tax paid was Rs. 40,000.
4) Interim Dividend paid during the year Rs. 20,000.

You are required to prepare a Cash Flow Statement.

Que-5 Explain the Concept of Responsibility Accounting? Discuss the Various types of Responsibility Centers. (14)

OR

Que-5 What is Responsibility Accounting? Explain Advantages and Limitations of Responsibility Accounting.

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