647510 **BBAmacCC6050** **Seat No :________**

B.B.A. Semester - 6 (*CBCS*) Examination

April/May-2022 (OLD COURSE)

MANAGEMENT ACCOUNTING(CORE)

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

Instructions:

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

Que-1 Discuss: Definition of Management Accounting and Limitations of Management Accounting. 14)

OR

Que-1 Write note on: scope and functions of management accounting.

Que-2 You are given the following data for the year 2020 and 2021 of a company: (14)

Particulars	2020	2021
Total cost	15,76,800	19,22,400
Sales	16,20,000	20,52,000

From the above, you are required to compute the following, assuming that fixed cost remains the same in both the periods:

1. P.V. Ratio
2. Fixed cost
3. The amount of profit or loss where sales are Rs. 7,50,000
4. The amount of sales required to earn profit of Rs. 2,59,200
5. Margin of safety for the year 2021

OR

Que-2 A manufacturing co. provides you the following details regarding its two products X and Y.

Particulars	X	Y
Selling price	500	800
Direct material @ Rs. 75 per kg	150	300
Direct Laboure @ Rs. 5 per hour	100	180
Variable overheads	50	80
Fixed overheads	3,80,000	

1. The following circumstances, which product, you will recommended for manufacturing.
   A. When direct material is scare
   B. When Laboure hours are limited
2. Assuming direct material is key factor and only 16000 kgs of material is available and any of the two has maximum selling of 4,000 units, decide optimum mix for maximum profit.

Que-3 The following particulars are available from the records of a manufacturing company for two levels of activity: (14)

Particulars	60%	100%
Cost of direct material	9,000	15,000
Direct wages	6,000	10,000
Indirect wages	3,000	5,000
Repairs and maintenance	6,500	9,500
Power and fuel	3,750	5,750
Rent	12,000	12,000
Depreciation	10,000	10,000
Insurance	6,000	6,000
Administrative overheads	10,000	14,000
Selling overhead	6,000	8,000

Total production at 100% capacity is 5,000 units.

Prepare a flexible budget at 70% and 90% capacity.

OR

Que-3 following Laboure mix had been provided in the budget to produce 1,000 units of a product:

Particulars	Standard Hours	Standard Cost
30 males 0.40 per hours 50 hours	1,500	600
20 females 0.30 per hours 30 hours	600	180
10 children 0.20 per hour 20 hours	200	40

The information about actual hours of work and Laboure mix is as follows:

Particulars	Actual hours	Actual cost
25 males 0.45 per hour 50 hours	1,250	562.5
30 females 0.30 per hour 30 hours	900	270
10 children 0.20 per hours 15 hours	150	30

Calculate:

(1) Laboure cost variance
2) Wage rate variance
(3) Laboure efficiency variance
4) Laboure mix variance

Que-4 The balance sheet of Dheer co.ltd as on 31-3-2020 and 31-3-2021 are given below: (14)

Liabilities	31-3-2020	31-3-2021	Assets	31-3-2020	31-3-2021
Equity share capital (each of RS 10)	1,00,000	75,000	Fixed assets	1,30,000	1,48,000
P & L A/c	70,000	32,000	Investment	15,000	12,000
8% debenture	-	50,000	Stock	10,000	15,000
Creditors	5,000	51,000	Debtors	15,000	35,000
Tax provision	15,000	17,000	Cash/bank	12,000	9,000
			Preliminary exp	8,000	6,000
	1,90,000	2,25,000		1,90,000	2,25,000

Additional information:

1. As per section 77 of companies act, the company has bought back 25% of its equity capital at the face value.
2. Dividend of Rs 9000 was paid during the year.
3. Income tax Rs 14000 was paid.
4. Provision of Rs 5000 for depreciation on fixed assets was made.
5. Investments of cost price of Rs 5000 were sold with a profit of Rs 1000 and profit was credited to profit and loss account.

Prepare cash flow statement of Dheer co. Ltd for the year 2020-2021.

OR

Que-4 From the following Balance Sheet of Shiv Ltd., Prepare Cash Flow Statement as Per -3

Liabilities	01-01-20	31-12-20	Assets	01-01-20	31-12-20
Share Capital	3,00,000	4,00,000	Goodwill	75,000	50,000
P. &L. A/C	75,000	2,00,000	Land and Building	1,25,000	50,000
10% Deb.	1,00,000	-	Plant and Machinery	2,00,000	1,80,000
Bank Loan	-	1,50,000	Investments	-	2,50,000
Pro. For Tax	50,000	75,000	Debtors	40,000	1,20,000
Creditors	25,000	45,000	Stock	25,000	1,05,000
Bills Payable	-	30,000	Cash	40,000	85,000
			Bank	45,000	60,000
	5,50,000	9,00,000		5,50,000	9,00,000

Additional information:

1. Dividend of Rs. 45,000 is paid during the year
2. land-building were sold at a profit of Rs. 25,000

Que-5 Write short note:(any two) (14)

1. Types of responsibility centers.
2. Explain merits of responsibility accounting.
3. Limitations of responsibility accounting

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