(Please write your Exam Roll No.) **Exam Roll No. ....**

END TERM EXAMINATION

THIRD SEMESTER [BBA] DECEMBER-2012

Paper Code: BBA/BBA(B&I/TTM)207 BBA(TTM)209 (Old)	**Subject: Management Accounting**

Time : 3 Hours **Maximum Marks :75**

Note: Attempt any five questions. All questions carry15 marks each. Calculator is permitted.

Q1 "Management Accounting is the presentation of accounting information in such a way as to assist the management in the creation of policy and in the day to day operations of an organization." Elucidate.

Q2 "Budgetary Control brings planning, coordination _______ and control." Elucidate the statement.

Q3 Explain the concept of responsibility accounting. What are the prerequisites of responsibility accounting? Also, explain the various cost centres in this regard.

Q4 Calculate currents assets of a company for the following information:-
(a) Stock Turnover Ratio : 4 Times
(b) Stock of the end of year is Rs.20,000 more than stock in the beginning.
(c) Sales Rs. 3,00,000.
(d) Gross Profit Ratio 25%.
(e) Current Liabilities Rs.40,000.
(f) Quick Ratio 0.75.

Q5 Balance sheets of ABC Co. as on 31.03.2011 and 31.03.2012 were as follows:-

Balance Sheets

Liabilities	**31.03.2011 Rs.**	**31.03.2012 Rs.**	**Assets**	**31.03.2011 Rs.**	**31.03.2012 Rs.**
Capital	125000	153000	Land	40000	50000
Loan from bank	40000	50000	Building	35000	60000
Mrs. A's loan	25000	--	Machinery	80000	55000
Creditors	40000	44000	Stock	35000	25000
			Debtors	30000	50000
			Cash	10000	7000
	230000	**247000**		**230000**	**247000**

During the year a machine costing Rs.10,000 (accumulated depreciation Rs.3,000) was sold for Rs.5,000. Depreciation provided during the year was Rs.18,000. Net profit for the year amounted to Rs.45,000. You are required to prepare Cash Flow Statement.

Q6 The standard cost of 100kg chemical D is made of:-

Chemical A	30kgs	@Rs.4 per kg.
Chemical B	40kgs	@Rs.5 per kg.
Chemical C	80kgs	@Rs. 6 per kg.

In a batch of 500 kgs. Of chemical D were produced from a mix of-

Chemical A	140kg at the cost of Rs.558.
Chemical B	220kg at the cost of Rs.1056.
Chemical C	440kg at the cost of Rs.2860

How do price, mix and yield factors contribute to the variances in the actual cost per 100kg of chemical D over the standard cost?

Q7 There are two similar plants under the same management. The management desires to merge these two plants. The following details are available:-

	Plant A	**Plant B**
Capacity operation	100%	60%
Sales	Rs. 300 Lacs	Rs. 120 Lacs
Variable cost	Rs. 220 Lacs	Rs. 90 Lacs
Fixed cost	Rs. 40 Lacs	Rs. 20 Lacs

Calculate-
(a) What would be the capacity of the merged plant to be operated for the purpose of Break-Even?
(b) What would be the profitability on working at 75% of the Merged Capacity?

Q8 Write short notes on the following:-
(a) Flexible Budgeting (b) Relevant Cost (c) Tools of Financial Analysis

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