

S.No. : 99

BBAL 2201

No. of Printed Pages : 05

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

**PAPER ID : 29108**

Roll  
No.

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

**BBA, LLB (Integrated) Examination 2016-17**  
**(Second Semester)**

**(Special Carry Over Paper)**

**MANAGEMENT ACCOUNTING**

**Time : 3 Hours]**

**[Maximum Marks : 60**

**Note :-** Attempt all questions.

**SECTION - A**

1. Attempt any all parts of the following :  $8 \times 1 = 8$

- State two reasons for causing labour rate variance.
- State any four reasons for material price variance.
- Define cost concept.
- Define difference between management accounting and cost accounting.

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

- (e) Define marginal costing.
- (f) Define contribution margin and its significance.
- (g) Define cash budget.
- (h) Define service cost.

### SECTION – B

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

- (a) Differentiate between financial accounting and management accounting with suitable hypothetical example.
- (b) Define budget and budgetary control. State the advantages of budgetary control in an organization.
- (c) A company has a P/V ratio of 40%. By what percentage must sales be increased to off set :
  - (i) 10% reduction in selling price
  - (ii) 20% reduction in selling price
- (d) Budgeted output : 10,000 units  
 Budgeted hours : 10,000  
 Budgeted overheads : Rs. 20,000

Actual overheads : Rs. 22,000

Actual output : 12,000 units

Calculate overheads variance.

### SECTION – C

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

- 3. (a) Distinguish between standard costing and budgetary control.
- (b) Define Z. B. B. C. zero based budgeting.
- (c) What do you understand by Marginal Cost Equation?
- 4. (a) Define variance analysis. Explain material labour variances.
- (b) Explain the following terms :
  - (i) Key factor
  - (ii) P/V ratio
- (c) What are the functions of Management Accounting?

5. (a) Discuss the limitations of management accounting.

(b) The following data is given :

Fixed cost  $\Rightarrow$  Rs. 12,000 (total)

Selling price  $\Rightarrow$  Rs. 12/unit

Variable cost  $\Rightarrow$  Rs. 9/unit

Calculate the profit when sales are :

(i) Rs. 60,000

(ii) Rs. 1,00,000

(c) What is the significance of the term variance?

6. (a) Given :

	Rs.
Fixed cost	8,000
Profit earned	2,000
Break even sales	40,000

What is the Actual Sale?

(b) Calculate variable overheads variances from the following :

Particulars	Budgeted	Actual
Output (Units)	20,000	19,000
Hours	5,000	4,500
<b>Overheads :</b>		
Fixed	10,000	10,500
Variables	5,000	4,800

(c) Distinguish between fixed budget and flexible budget. Briefly state the circumstances in which flexible budgets are used.

\*\*\*