

(4)

BBA-301

Depreciation of plant and machinery	3,500
Expenses on purchases	1,500
Carriage outward	2,500
Advertising	3,500
Office rent and taxes	2,500
Traveler's wages and commission	6,500
Opening stock of finished goods	54,000
Closing stock of finished goods	31,000

OR

- (b) "Management accounting is the presentation of accounting information in such a way as to assist management in the creation of policy and in the day to day operation of an undertaking." Construct a hypothetical situation elucidating this statement. (CO5)

BBA-301

730

H

Roll No.

BBA-301

B. B. A. (THIRD SEMESTER)
MID SEMESTER EXAMINATION, 2022
ACCOUNTING FOR MANAGERS

Time : 1½ Hours**Maximum Marks : 50**

Note : (i) Answer all the questions by choosing any *one* of the sub-questions.

(ii) Each question carries 10 marks.

1. (a) Explain the role of management accounting in the area of planning, controlling and decision-making. (CO1)

OR

- (b) Define Marginal cost and Marginal costing. How do you treat variable cost and fixed costs in marginal costing ? (CO1)

2. (a) State the important ways of classification of costs and discuss each of them in detail. (CO2)

P. T. O.

(2)

BBA-301

OR

- (b) Explain the significance and objectives of a break-even chart and state the factors which would cause the break-even point to change. (CO2)
3. (a) Distinguish between financial accounting and management accounting. (CO3)

OR

- (b) Illustrate the quantitative as well as qualitative considerations influencing a 'make or buy' decision. (CO3)
4. (a) Evaluate the significance of cost control and cost reduction in managerial decision-making. (CO4)

OR

- (b) The following information of ABC Ltd. is given : (CO4)

Sales = ₹ 2,00,000

Variable Cost = ₹ 1,20,000

Fixed Cost = ₹ 30,000

(3)

BBA-301

Evaluate :

- (i) Break-even sales.
- (ii) New break-even sales if selling price is reduced by 10%.
- (iii) New break-even sales if variable cost is increased by 10%.
- (iv) Amount of sales it is desired to earn a profit of ₹ 15,000.
5. (a) The Bangalore Ltd. supplies you the following information and requires you to prepare a cost sheet : (CO5)

Particulars	Amount (₹)
Opening stock of raw material	75,000
Closing stock of raw material	91,500
Direct wages	52,500
Indirect wages	2,750
Sales	2,00,000
Opening stock of WIP	28,000
Closing stock of WIP	35,000
Purchases of raw material	66,000
Factory rent, rates and power	15,000

P. T. O.