



Term Evaluation (Odd) Semester Examination September 2025

Roll no.....

Name of the Course: BBA

Semester: III

Name of the Paper: Management Accounting

Paper Code: 301

Time: 1.5 hours

Maximum Marks: 50

Note:

- (i) Answer all the questions by choosing any one of the sub-questions
- (ii) Each question carries 10 marks.

Q1.

(10 Marks)

- a. Define **Management Accounting**. Explain its nature, scope, and importance in modern business organizations.

OR

- b. Differentiate between **Financial Accounting** and **Management Accounting** with suitable examples.

Q2.

(10 Marks)

- a. Prepare a **Cost Sheet** from the following data:

Direct Materials: ₹80,000

Direct Labour: ₹50,000

Factory Overheads: 20% of Prime Cost

Office and Administrative Expenses: ₹25,000

Selling and Distribution Expenses: ₹15,000

Units Produced: 5,000

Calculate **Cost per Unit**.

OR

- b. Explain the concept of **Marginal Costing** and **Break-Even Analysis**. Illustrate your answer with a suitable numerical example.

Q3.

(10 Marks)

- a. Explain the **classification of costs** with suitable examples. How do **cost control** and **cost reduction** help in managerial decision-making?

OR

- b. A company sells a product for ₹50 per unit. The variable cost per unit is ₹30, and fixed costs are ₹40,000. Calculate:

(i) P/V Ratio

(ii) Break-Even Point in units and value

(iii) Margin of Safety if actual sales are ₹1,50,000

Q4.

(10 Marks)

- a. Explain the **objectives and advantages of Unit Costing**. How does it help in effective cost control and decision-making in manufacturing organizations?"

OR

- b. Explain **Cost–Volume–Profit (CVP) Analysis** and its significance in managerial decisions.

Q5.

(10 Marks)

- a. "Discuss the **importance of preparing a Cost Sheet**. How can cost sheet analysis support managerial planning and pricing decisions

OR

- b. Discuss the advantages and limitations of using **Marginal Costing** as a decision-making tool.