

Dr. Babasaheb Ambedkar Open University
Term End Examination January – 2023

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| Course | : BBA | Date | : 04-Feb-2023 |
| Subject Code | : BBA-502(NEW) | Time | : 09:3am to 11:45am |
| Subject Name | : Management Accounting | Duration | : 02.15 Hours |
| | | Max. Marks | : 70 |

Section A

Answer the following (Attempt any three) (30)

1. Explain the process of preparing the statement of changes in working capital.
2. Discuss the procedure of determining cash provided by operating activities. Give suitable example to illustrate your answer.
3. Explain features and objectives of budgetary control system.
4. Product X requires 20 kgs of material at Rs. 4 per kg. The actual consumption of material for the manufacturing of product X came to 24 kgs of material at Rs. 4.50 per kg. Calculate:
(i) Material Cost Variance
(ii) Material Price Variance and
(iii) Material Usage Variance.
5. Examine the concept of the profit volume ratio.

Section B

Answer the following (Attempt any four) (20)

1. Do you think management accounting is different from financial accounting? Discuss.
2. Explain the difference between fund flow statement and cash flow statement.
3. Write short note on Zero-base budgeting.
4. Elucidate the various functions of management accounting.
5. From the following, calculate the current ratio:
Current Assets:
Cash in hand 4,00,000
Sundry Debtors 1,60,000
Stock 2,40,000

Current Liabilities:
Sundry creditors 3,00,000
Bills Payable 1,00,000
6. Suggest some drawbacks of standard costing.

Section C

Part – A (Multiple Choice Questions)

(10)

- 1 Management accounting can be viewed as _____.
A Marketing-oriented Accounting B Management-oriented Accounting
C Accounting-oriented Management D Manager-oriented Accounting
- 2 _____ is the language of Business which used to communicate financial information.
A Accounting B Marketing
C Profit D Pricing

