Seat No:_____________ Enrollment No:_____________

PARUL UNIVERSITY
FACULTY OF MANAGEMENT
BBA MID-SEM Winter 2018-19 Examination

Semester: 6
Subject Code: 06101355
Subject Name: Management Accounting

Date: 06/03/2019
Times: 2hrs
Total Marks: 40

Instructions
1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1 A) Multiple Choice Question(MCQ)(Each of 1 mark): [03]

1. When accurate forecast of sales and revenue are possible during the budget period management will make use of
   a)Fixed budgetingb) Cash budgeting c) Functional budgeting d) Flexible Budgeting
2. Standard quantities that do not allow for spoilage/waste that occurs at normal efficiency are called
   a) Ideal Standard
   b) Normal Standard
   c) Direct Standard
   d) Attainable Standard
3. The purchase Department Manager is usually held accountable for
   a) Direct Material price variance
   b) Labour Efficiency variance
   c) Direct material usage variance
   d) Fixed overhead variance

B)Define the following term. (Each of 1 mark): [03]
1. Zero based Budgeting
2. Standard Costing
3. Formula of Material Mix Variance

C) Direct Questions. (Each of 1 Mark): [04]
1. Define Master Budget
2. Define Material cost variance
3. Give any three functions of Management Accounting
4. Explain any three points of differences between management Accounting And Financial Accounting.

Q.2 Answer the following questions. [10]
1. The following particulars are available from the records of ram manufacturing company for two levels of activity.

Particulars	50 % per unit	80% Per unit
Material cost	7.50	7.50
Labour	3.50	3.50
Power	0.40	0.37
Stores	0.60	0.60

Maintenance	0.20	0.125
Inspection	0.20	0.14
Depreciation	3.00	1.875
Administration overhead	4.00	2.80
Selling overhead	0.60	0.487
Total	20.00	17.397

Production @ 50% Capacity is 5000 units
Production @80% Capacity is 8000 units
Prepare Flexible Budget per unit @ 40% and 100 % Capacity

2. The Standard Cost of company as follows
40% of Material A at Rs 20 per ton
60% of Material B at Rs 30 per ton

A Standard loss of 10% is expected in production during one month 171 ton is produced and 90 tons of material A @ Rs 18 per k.g & Rs 110 ton of material B @ Rs 34 is used.
Calculate Material price variance, Material Mix variance, Material Yield Variance

Q.3 Answer the following questions. **[10]**

1. Balaji ltd has 4 sales territory life A, B,C& D Each salesman expected to sale the following number of units during the first quarter of the year 2003. Assume average selling price Rs 8 the information as follows

Month	A	B	C	D
April	500	750	1250	1750
May	1000	900	1400	2000
June	1250	1000	1200	22501

2. The Expenses for budget production of 10,000 units in factory are given below in per unit

Particular	Amount
Material	70/-
Labour	25/-
Variable overheads	20/-
Fixed overhead(100,000)	10/-
Variable Expenses (direct)	5/-
Selling Expenses (10% Fixed)	13/-
Distribution Expenses (20% Fixed)	7/-
Administrative Expenses (50,000)	5/-
Total cost per unit	155

Prepare a budget for production of 8000 units, 6000 units and C indicates cost per unit at both levels.

Q.4 Attempt any two questions. **[10]**

1. What do you understand by fixed Budget & Flexible Budget? What are the advantages of flexible budget
2. Explain the Pros and cons of Standard Costing

*****All The Best*****