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Register Number:

Name of the Candidate:

B.B.A. DEGREE EXAMINATION December 2014

(COMPUTER APPLICATIONS)

(SECOND YEAR)

(PART – III)

630. MANAGEMENT ACCOUNTING

Time: Three hours

Maximum: 100 marks

SECTION – A

(10 × 2 = 20)

Answer any TEN questions

1. Define capital budgeting.
2. What is ARR?
3. Define Net Terminal value method.
4. What is Break even analysis?
5. Define Marginal Costing.
6. Define Cost-Volume-Profit.
7. What is budgetary control?
8. Define production budget.
9. Define Cost Audit.
10. Define standard costing.
11. Define Index method.
12. What is meant by pay back period?

SECTION – B

(4 × 10 = 40)

Answer any FOUR questions

13. Suresh & Co has an initial investment of ₹ 2,00,000. Its cash flows for 5 years are ₹ 1,50,000; ₹ 20,000; ₹ 30,000; ₹ 50,000 and ₹ 20,000. Determine the payback period and ARR.
14. What are the advantages of Average Rate of Return? Explain.

15. From the following information, find out the amount of profit earned during the year using marginal costing technique; Fixed cost ₹ 5,00,000; variable cost ₹ 10 per unit; selling price ₹ 15 per unit; output level 1,50,000 units.
16. From the following data, calculate material usage variance: Standard : 12 kg at ₹ 5 per kg; Actual 20 kg at ₹ 6 per kg.
17. What are the advantages of marginal costing?
18. Write a short notes on Cost Audit.

SECTION – C
Answer any TWO questions

(2 × 20 = 40)

19. What are the difference between Financial and Management Accounting? Explain.
20. Explain the various methods of capital budgeting.
21. From the following information calculate payback period and Internal Rate of Return method.

Year	Cash flow ₹
0	-100000
1	12000
2	15000
3	20000
4	18000
5	30000
6	10000

22. The following data are obtained from the records of a company:

	First year ₹	Second year ₹
Sales	80,000	90,000
Profit	10,000	14,000

Calculate the breakeven point.

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