

W-2963(A)**B.B.A. (Sixth Semester) Examination, (Second Chance) June-2020
ACCOUNTING FOR MANAGERIAL DECISION****Paper - 603****Time : Three Hours****Maximum Marks : 40****Minimum Pass Marks : 16****Note : Attempt all questions.**

- Q.1. Discuss importance and limitations of Management Accounting. 8
- Q.2. From the followings data calculate : 8
- Gross profit ratio
 - Inventory turnover ratio
 - Current ratio
 - Liquid ratio
 - Proprietary ratio
- | | |
|--------------------------------|-----------|
| Sales | 25,20,000 |
| Cost of sales | 19,20,000 |
| Net profit | 3,60,000 |
| Av. inventory | 8,00,000 |
| Other current assets | 7,60,000 |
| Fixed asset | 14,40,000 |
| Net worth | 15,00,000 |
| Long term loan | 9,00,000 |
| Current liabilities | 6,00,000 |
| Profit before tax and interest | 8,00,000 |
- Q.3. The cost volume profit relationship of a company is described by equation $Y=3,00,000 + 0.7x$ in which x represent sales revenue and Y total cost. Find out followings: 8
- Contribution ratio
 - BEP
 - Sales to earn 90,000 profit
 - Sales when loss of Rs. 30,000
- Q.4. The estimated monthly sales for a company are as follows: 8
- | <u>Month</u> | <u>Sales</u> | <u>Month</u> | <u>Sales</u> |
|--------------|--------------|--------------|--------------|
| April | 16,000 | July | 40,000 |
| May | 28,000 | August | 50,000 |
| June | 24,000 | September | 20,000 |
- Sales are 20% cash and 80% for credit each month of the credit sales 70% are collected in the month following and the balance in the second month following. Calculate the total amount of cash sales and collection from debtors in each month from April to September.
- Q.5. A manufacturing concern which has adopted standard costing furnishes the following information: 8
- Standard
- | | |
|------------------------------------|-------------|
| Material for 80kg finished product | 100kg |
| Price of material | 1.20 per kg |
- Actual
- | | |
|------------------|--------------|
| Output | 2,40,000 kg |
| Material used | 3,15,000 kg |
| Cost of material | Rs. 3,46,500 |
- Calculate :
- Material usage variance
 - Material price variance
 - Material cost variance