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BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)(071)/
BBA IN SPORTS MANAGEMENT (472)
EXAMINATION: DECEMBER - 2025
SEMESTER - IV
Sub.: Management Accounting (BBA22-411/BBA23-411)

Date : 26/12/2025**Total Marks : 60****Time: 2.00 pm to 4.30pm**

Instructions: 1) All questions are compulsory.
 2) Figures to the right indicate full marks.

Q. 1. Choose the most appropriate option. (05)

1. Which of the following best describes the main objective of Management Accounting?
 - a) Reporting past financial performance to shareholders
 - b) Assisting management in planning, controlling and decision-making
 - c) Recording day-to-day business transactions
 - d) Ensuring statutory audit compliance
2. Which technique helps in determining the level of sales at which total cost equals total revenue?
 - a) Ratio Analysis
 - b) Break-even Analysis
 - c) Fund Flow Analysis
 - d) Cash Flow Statement
3. Which of the following is a profitability ratio?
 - a) Current Ratio
 - b) Quick Ratio
 - c) Return on Investment
 - d) Debt-Equity Ratio
4. Standard Costing is mainly useful for
 - a) Recording transactions
 - b) Fixing selling prices only
 - c) Cost control and performance evaluation
 - d) Preparing statutory reports
5. A flexible budget is prepared to
 - a) Remain unchanged for all levels of activity
 - b) Adjust costs according to varying levels of output
 - c) Calculate profit only
 - d) Record actual expenses

Q. 2. State True / False (05)

1. Contribution is equal to Sales minus Fixed Cost.
 - a) True
 - b) False
2. A higher current ratio always indicates better financial performance.
 - a) True
 - b) False
3. Budgetary control involves comparison of actual results with budgeted figures.
 - a) True
 - b) False
4. Standard costs are based on inefficient operating conditions.
 - a) True
 - b) False
5. Liquidity ratios are used to measure long-term solvency.
 - a) True
 - b) False

Q. 3. Write Short notes on (Any Three) (15)

1. Functions of Management Accounting
2. Advantages of Marginal Costing
3. Types of Budgets
4. Importance of Ratio Analysis
5. Features of Standard Costing

Q. 4. Answer in detail (Any Two)**(20)**

1. Explain the significance of budgetary control in improving organisational efficiency and managerial performance.

2. The following data relates to a manufacturing company:

Selling Price per unit : ₹ 75

Variable Cost per unit : ₹ 45

Fixed Cost : ₹ 36,000 per month

Calculate:

i) Contribution per unit

ii) P/V Ratio

iii) Break-even Point in units

iv) Profit at sales of 2,200 units

v) Margin of Safety at sales of 3,000 units

3. Material variance data:

Material	Standard		Actual	
	Quantity in Kg	Price per Kg (₹)	Quantity in Kg	Price per Kg (₹)
A	120	20	100	22
B	80	40	90	38
C	60	30	70	35

Calculate:

1) Material Cost Variance

2) Material Price Variance

3) Material Usage Variance

4. The following Trading and Profit and Loss Account of Vidya Ltd. For the year 31-3-2025 are given below:

Particulars	₹	Particulars	₹
To Opening stock	50,000	By Sales	7,00,000
To purchases	4,00,000	By Closing stock	70,000
To Carriage inward	10,000		
To Wages	20,000		
To Gross profit c/f	3,00,000		
	7,70,000		7,70,000
To Administrative exp.	1,00,000	By Gross profit b/d	3,00,000
To Selling Exp.	30,000	By Interest earned	10,000
To Non operating exp.	20,000		
To financial exp.	10,000		
To Net profit c/d	1,50,000		
	3,10,000		3,10,000

Calculate:

1) Gross Profit Ratio

2) Expense Ratio

3) Operating Ratio

4) Net Operating Profit Ratio

5) Net Profit Ratio.

- Q. 5.** From the following information of Shree Industries, prepare Flexible Budget at 50% and 90% capacity. **(15)**

80% Capacity = 800 Units

Variable Costs:

Material ₹1,60,000

Labour ₹80,000

Direct Expenses ₹40,000

Semi-Variable Costs:

Power ₹60,000 (70% variable, 30% fixed)

Maintenance ₹20,000 (60% variable, 40% fixed)

Fixed Costs:

Manager's Salary ₹70,000

Depreciation ₹25,000

Factory Rent ₹20,000
