GALGOTIAS UNIVERSITY

ADMISSION NUMBER

School of Finance and Commerce

Bachelor of Commerce Honours
Semester End Examination - May 2024

Duration : 180 Minutes
Max Marks : 100

Sem VI - H1UB601T - Accounting for Managers

General Instructions
Answer to the specific question asked
Draw neat, labelled diagrams wherever necessary
Approved data hand books are allowed subject to verification by the Invigilator

1) Define variance under standard costing. K1 (2)

2) Categorize the various ratio used to analyze profitability position of company. K2 (4)

3) Explain the advantages and disadvantages of management accounting. K2 (6)

4) Elaborate on the interrelation among cost, volume, and profit, emphasizing their interconnected nature in business operations. K3 (9)

5) Investigate various types of budgets and their specific applications in organizational planning and control. K3 (9)

6) The debt equity ratio of X Ltd. is 0.5 : 1. Which of the following would increase/decrease or not change the debt equity ratio? Explain with examples. (i) Further issue of equity shares (ii) Cash received from debtors (iii) Sale of goods on cash basis (iv) Redemption of debentures (v) Purchase of goods on credit. K5 (10)

7) Specify what factors are considered in setting (a) Material Price standard (b) Material Usage Standard (c) Labour rate standard. K4 (12)

8) Following is the financial information of a firm . Total Assets (Including Preliminary Expenses) Rs. 2,40,000 Opening Inventory Rs. 80,000 Closing Inventory Rs. 40,000 Days in a year 360 days Gross Profit (20% of Sales) Rs. 120,000 Average Collection Period 36 days . Formulate: 1.Amount of Sales 2.Amount of Debtors 3. Total Asset Turnover Ratio 4. Inventory Turnover Ratio K5 (15)

9) Management accounting deals with number of tools and techniques to help the managers in better planning, controlling and decision making. Analyze some of these important tools and techniques. K5 (15)

10) Bello Chemicals Industries provide the folowing information from their records. for making 10 kg of OMO, the standard material requirements is : Material X: Quantity (Kg) -8 kg, Rate per kg is Rs 6; Material Y: Quantity (Kg) -4 kg, Rate per kg is Rs 4. Durig December 1990, 100 kg of OMO were produced. The actual consumption of material is as follows: Material X: Quantity (Kg) -75 kg, Rate per kg is Rs 7; Material Y: Quantity (Kg) -50 kg, Rate per kg is Rs 5. Evaluate 1) Material cost variance 2) Material Price 3) Material usage variance. K6 (18)