

8. Write short notes on the following techniques
of capital budgeting decisions : 14

- (a) Profitability index
- (b) Internal rate of return.

No. of Printed Pages : 04

Roll No.

E-153

B.B.A. EXAMINATION, Dec. 2018

(Fifth Semester)

(Main & Re-appear)

(BBA)

BBA305

MANAGEMENT ACCOUNTING

Time : 3 Hours]

[Maximum Marks : 70

Before answering the question-paper candidates should ensure that they have been supplied to correct and complete question-paper. No complaint, in this regard, will be entertained after the examination.

Note : Attempt *Five* questions in all, selecting at least *one* question from each Unit.

Unit I

1. What is Management Accounting ? What is its scope ? Also explain its objectives. **14**
2. The following particulars are available in respect of A Ltd. and B Ltd. :

Particulars	A Ltd.	B Ltd.
Sales (Rs. 10 per unit)	Rs. 6,00,000	Rs. 6,00,000
P/V Ratio	25%	20%
Fixed Cost	Rs. 90,000	Rs. 80,000

Calculate :

- (i) Break Even Point in Rupees of both companies.
- (ii) Margin of Safety of both companies.
- (iii) Sales required earning a profit of Rs. 90,000 by each company. **14**

Unit II

3. What do you mean by responsibility accounting ? Explain in brief different types of responsibility centers with suitable corporate examples. **14**

M-E-153

2

4. Write short notes on the following :

- (a) Role of budgeting in the organizations
- (b) Process of budgeting. **7+7=14**

Unit III

5. How do you analyse and interpret financial statements of a company for reporting on the soundness of its capital structure and solvency ? **14**
6. A company has a profit margin of 20% and asset turnover of 3 times. What is the company's Return on Investment (ROI) ? How will this ROI vary if :
 - (a) Profit margin is increased by 5% ?
 - (b) Asset turnover is decreased to 2 times ?
 - (c) Profit margin is decreased by 5% and asset turnover is increased to 4% ? **14**

Unit IV

7. What do you mean by capital budgeting ? What are its features ? **14**

(2-08/8) M-E-153

3

P.T.O.