



K25U 2454

Reg. No. :

Name :



**V Semester B.B.A./B.B.A.(RTM) Degree (C.B.C.S.S. – O.B.E. – Regular/
Supplementary/Improvement) Examination, November 2025
(2019 to 2023 Admissions)**

Core Course

5B11 BBA/BBA(RTM)/BHA : ACCOUNTING FOR MANAGEMENT

Time : 3 Hours

Max. Marks : 40

SECTION – A

Answer all **six** questions. Each question carries **1** mark.

1. What do you mean by cost accounting ?
2. What is sunk cost ?
3. Differentiate between direct cost and indirect cost.
4. What do you mean by common size statement ?
5. What is P/V ratio ?
6. How is marginal costing applied in making make-or-buy decisions ? **(6×1=6)**

SECTION – B

Answer **any six** questions. Each question carries **2** marks.

7. Briefly explain the scope of management accounting.
8. Differentiate between cost accounting and management accounting.
9. Explain the major limitations of financial accounting.
10. Briefly explain about the uses of ratio analysis.
11. Explain the various types of liquidity ratios.

P.T.O.



12. Determine the sales of a firm with the following data :
 Current Ratio : 1.5
 Liquid Ratio : 1.2
 Current Liabilities ₹ 8,00,000
 Inventory Turnover Ratio 5 times.
13. What is a break-even chart ?
14. Differentiate between fixed and flexible budget. (6×2=12)

SECTION – C

Answer **any four** questions. Each question carries **3** marks.

15. Explain the nature of management accounting.
16. What are the utilities of break-even analysis ?
17. Find Prime Cost from the following information.
- | | |
|--------------------------------|------------|
| Opening stock of raw materials | ₹ 34,000 |
| Purchase of raw materials | ₹ 1,56,000 |
| Closing stock of raw materials | ₹ 28,000 |
| Carriage on purchase | ₹ 6,000 |
| Direct labour | ₹ 42,000 |
| Direct expenses | ₹ 13,000 |
18. From the following information find :
- a) Current Assets
 - b) Current Liabilities
 - c) Liquid Asset
- Current Ratio = 3:1
 Liquid Ratio = 2:1
 Working Capital ₹ 80,000.
19. A company produces 500 units at a variable cost of ₹ 200 per unit. The price is ₹ 250 per unit and there are fixed expenses of ₹ 12,000 per month. Calculate Break-even point in terms of both units and sales. Also find the profit when company produces 600 units.



20. Prepare a flexible budget to produce 400 units (80% capacity).
Current Production 300 units
Raw Materials ₹ 50 per unit
Direct Labour ₹ 20 per unit
Direct Expenses ₹ 10 per unit
Factory overheads ₹ 12,000 (50% fixed)
Administrative overheads ₹ 5,000 (40% fixed). **(4×3=12)**

SECTION – D

Answer **any two** questions. Each question carries **5** marks.

21. What do you mean by cost classification ? Explain cost classification based on
i) traceability
ii) variability and
iii) functionality with suitable example.
22. Explain the managerial applications of marginal costing.
23. The following is the Balance Sheet of ABC Ltd. for the year ending 31st March 2025.

Liabilities

Assets

Share Capital	2,00,000	Land and Buildings	1,40,000
Profit and Loss Account	30,000	Plant and Machinery	3,50,000
General Reserve	40,000	Stock	2,00,000
12% Debentures	4,20,000	Sundry Debtors	1,00,000
Sundry Creditors	1,00,000	Bills Receivable	10,000
Bills Payable	50,000	Cash at Bank	40,000
	8,40,000		8,40,000

Calculate :

- a) Current Ratio
b) Quick Ratio
c) Inventory to Working Capital
d) Debt to Equity Ratio.



24. A manufacturing concern, which has adopted standard costing, furnished the following information :

Standard material for 70 kg finished product : 100 kg.

Standard price of materials : ₹ 1 per kg.

Actual output : 2,10,000 kg.

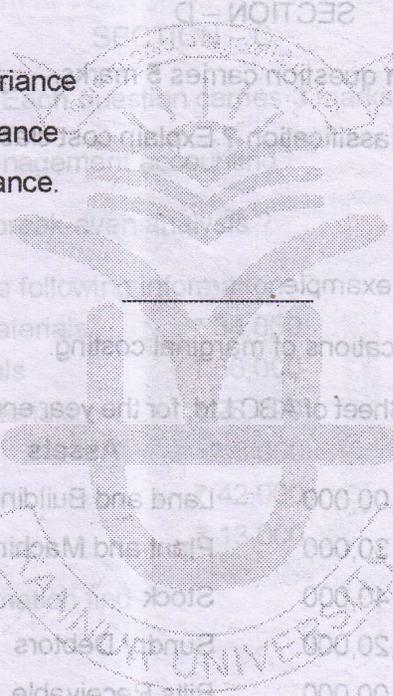
Material used : 2,80,000 kg.

Cost of material : ₹ 2,52,000.

Calculate :

- a) Material Usage Variance
- b) Material Price Variance
- c) Material Cost Variance.

(2×5=10)



Liabilities		Assets	
Share Capital	2,00,000	Land and Buildings	1,40,000
Profit and Loss Account	30,000	Plant and Machinery	3,50,000
General Reserve	40,000	Stock	2,00,000
12% Debentures	4,20,000	Sundry Debtors	1,00,000
Sundry Creditors	1,00,000	Bills Receivable	1,00,000
Bills Payable	50,000	Cash at Bank	40,000
	8,40,000		8,40,000

19. A company produces 500 units at a cost of ₹ 200 per unit. The cost of raw materials is ₹ 120 per unit and the cost of labour is ₹ 80 per unit. The company has a standard cost of ₹ 180 per unit. Calculate the following ratios:

- a) Current Ratio
- b) Quick Ratio
- c) Inventory to Working Capital Ratio
- d) Debt to Equity Ratio