

2008000206030001
EXAMINATION OCTOBER 2024 (ATKT EXAM)
BACHELOR OF COMMERCE (HONORS) (SIXTH SEMESTER)
MANAGEMENT ACCOUNTANCY - VIII - LEVEL3

[Time: As Per Schedule]

[Max. Marks: 50]

Instructions:

1. Fill up strictly the following details on your answer book
 - a. Name of the Examination: **BACHELOR OF COMMERCE (HONORS) (SIXTH SEMESTER)**
 - b. Name of the Subject: **MANAGEMENT ACCOUNTANCY - VIII - LEVEL3**
 - c. Subject Code No: **2008000206030001**
2. Sketch neat and labelled diagram wherever necessary.
3. Figures to the right indicate full marks of the question.
4. All questions are compulsory.

Seat No:

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Student's Signature

Q.1 Do as Directed:

1. What is Responsibility Accounting? 2
2. Classify the following activities as per AS 3 Cash Flow Statement. 2
 - a. Payments of dividends.
 - b. Interest received on investments.
 - c. Payment of income tax.
 - d. Cash repayment of a long term loan.

3. Calculate cash flow from financing activities from the following information: 3

Particulars	31 st March 2020 (Rs.)	31 st March 2021 (Rs.)
Equity Share Capital	4,50,000	4,50,000
Mortgaged loan	-	2,70,000
Proposed dividend	80,000	90,000

4. On 31/12/2020 the machinery appearing in the Balance Sheet of Radhe Ltd. at a cost of Rs. 1,30,000, against which there is a provision for depreciation of Rs. 42,500. The balance on 31/12/2021 at the cost is Rs. 1,30,000 and the provision for depreciation amounted to Rs. 95,000. During the year machinery costing Rs. 7,500 was sold for Rs. 2,500. The 3

accumulated depreciation on the same machine was Rs. 4,000. What will be the amount of purchase of machinery during the year 2021 as to be shown as application of funds?

- Q.2** (a) Vinak Ltd. produces an article by blending two basic raw materials. It operates a standard costing system and the following standards have been set for raw materials: **10**

Materials	Standard Mix.	Standard price per Kg.
A	40%	Rs.4.00
B	60%	Rs.3.00

The Standard loss in processing is 15%.

During April 2023, the company produced 1,700 Kg. of finished output. The position of stock and purchases for the month of April, 2023 are as under.

Materials	Stock on 1-04-23	Stock on 30-04-23	Purchased during April, 2023 Kg.	Cost
A	35 Kg	5 Kg	800 Kg	Rs. 3,400
B	40 Kg	50 Kg	1,200 Kg	Rs. 3,000

Calculate the following variances:

- 1) Material Price Variance
- 2) Material Usage variance
- 3) Material yield variance
- 4) Material Mix variance
- 5) Material Cost Variance.

- (b) Calculate (1) Efficiency ratio, (2) Activity ratio from the following figures. **4**

Budgeted Production	88 Units
Standard hours per Unit	10
Actual Production	75 Units
Actual working hours	600

- Q.3** Draw up a flexible budget for overhead expenses on the basis of the following data and determine the overhead rate at 70%, 80% and 90% plan capacity: **14**

	Capacity Levels		
	70%	80%	90%
Variable Overheads			
Indirect Labours	-	12,000	-
Stores and Spares	-	4,000	-
Semi Variable Overheads			

Power (30% Fixed)	-	20,000	-
Repairs and Maintenance (60% Fixed)	-	2,000	-
Fixed Overheads			
Depreciation	-	11,000	-
Insurance	-	3,000	-
Salaries	-	10,000	-
Total Overheads	-	62,000	-
Estimated Direct Labour Hours	-	1,24,000 Hours	-

Q.4 Write Short note (any two)

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1. Difference between Cash Flow Statement and Funds Flow Statement
2. Performance budgeting
3. Types of Responsibility Centres
4. Limitations of Zero Base budgeting
