

Name:	
Enrolment No:	

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
Online End Semester Examination, December 2020

Course: Management Accounting	Semester: III
Programme: BCom. (Hons.) Taxation	Time: 03 hrs
Course Code: FINC2023	Max. Marks: 100

Instructions: ALL QUESTIONS ARE COMPULSORY

SECTION A

1. Each Question will carry 5 Marks
2. Instruction: Short answers

S. No.	Question	CO
Q 1	Define management accounting and its significance.	CO1
Q 2	Explain limitations of management accounting.	CO2
Q 3	What is a budget? Explain budget management.	CO2
Q 4	What are the various streams of accounting?	CO1
Q 5	What is the scope of management accounting?	CO2
Q 6	What Are The Various Techniques Used To Discharge The Function Of Management Accounting?	CO2

SECTION B

1. Each question will carry 10 marks
2. Instruction: Write short / brief notes

Q1	“Management accounting aims at providing financial results of the business to the management for taking decisions.” Explain by bringing out the advantage of management accounting.	CO3
Q2	Explain the characteristic features of management accounting. What are the tools which make it useful for the management?	CO2
Q3	Define Cost-volume-profit analysis. Explain assumptions in CVP analysis	CO3
Q4	Explain the characteristic features of management accounting. What are the tools which make it useful for the management?	CO3
Q5	Based on time explain different types of budget.	CO2

Section C

1. Question carries 20 Marks.
2. Instruction: Write long answer.

Q 1	The following information at 50% capacity is given. Prepare a flexible budget and forecast the profit or loss at 60%, 70% and 90% capacity.	CO3
-----	---	-----

Fixed Expenses	Expenses at 50% capacity (Rs.)
Salaries	5000
Rent and taxes	4000
Depreciation	6000
Administrative expenses	7000
Variable expenses:	
Materials	20000
Labour	25000
Others	4000
Semi-variable expenses:	
Repairs	10000
Indirect Labour	15000
Others	9000

It is estimated that fixed expenses will remain constant at all capacities. Semi variable expenses will not change between 45% and 60% capacity, will rise by 10% between 60% and 75% capacity, a further increase of 5% when capacity crosses 75%. Estimated sales at various levels of capacity are:

Capacity	Sales (Rs.)
• 60%	1,10,000
• 70%	1,30,000
• 90%	1,50,000