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**Gandhi Institute of Engineering and Technology University, Odisha, Gunupur
(GIET University)**



B.C.A. (Third Semester – Regular & Supplementary) Examinations, November – 2025
BCA23304 – Management Accounting

Time: 3 hrs

Maximum: 60 Marks

(The figures in the right hand margin indicate marks)

PART – A**(2 x 5 = 10 Marks)**Q.1. Answer **ALL** questionsCO # Blooms
 Level

- | | | |
|--|-----|----|
| a. What do you understand by ‘Management Accounting’? How does it differ from cost accounting? | CO1 | K1 |
| b. Give three characteristics of ideal financial statements. | CO2 | K1 |
| c. Describe and illustrate Inventory Turnover Ratio. | CO2 | K2 |
| d. Mention the characteristics of a good budget. | CO4 | K2 |
| e. What is owner’s equity? | CO5 | K1 |

PART – B**(10 x5=50 Marks)**Answer **ALL** questionsMarks CO # Blooms
 Level

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|--|---|-----|----|
| 2. a. ‘Management accounting aims at providing financial results of the business to the management for taking decisions’. Explain by bringing out advantages of management accounting. | 5 | CO1 | K2 |
| b. What are the accounting concept and conventions? Explain them clearly. | 5 | CO1 | K1 |
| (OR) | | | |
| c. Discuss various types of financial statements and their limitations. | 5 | CO1 | K2 |
| d. Calculate Quick Ratio from the information gives as such. | | | |

	Rs		Rs
Bank loan	1,00,000	Stock-in-trade	1,35,000
Sundry Creditors	1,50,000	Sundry Debtors	72,000
Bills Payable	20,000	Provisions for doubtful debts	2,000
Creditors for expenses	10,000	Cash-in-hand	15,000
6% Debentures	2,00,000	Cash-at-Bank	1,10,000
Plant and Machinery	3,00,000	Short-term Investments	1,50,000

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|---|---|-----|----|
| 3.a. Explain and illustrate any two of the following: | | | |
| i) Solvency Ratio | | | |
| ii) Working Capital Turnover Ratio | 5 | CO2 | K2 |
| iii) Absolute Liquid Ratio | | | |
| b. Determine the sales of a firm with the following financial data: | | | |

Current ratio	1.5
Acid test ratio	1.2
Current liabilities	Rs. 4,00,000
Inventory turnover ratio	5 times

5 CO2 K3

(OR)

- | | | | |
|--|---|-----|----|
| c. Discuss and the various types of profitability ratios and their significance. | 5 | CO2 | K1 |
| d. From the following information, calculate the break-even point in units and in sales value: | 5 | CO2 | K4 |

Output = 3,000 units
 Selling price per unit = Rs. 30
 Variable cost per unit = Rs. 20
 Total fixed cost = Rs. 20,000

4.a. What is Break-even analysis? Derive the algebraic method for computing the Break-even Point. 5 CO3 K2

b. A company provides information regarding two products "X" and "Y" Which of the following sales mix adopted by management?

	X (Rs)	Y (Rs)
Material	30	20
Labour	9	7
Variable cost	8	9
Selling Price	50	40
Fixed cost	1800	

- i) 500 units of "X" and 500 units of "Y"
 ii) 200 units of "X" and 800 units of "Y"

5 CO3 K4

(OR)

c. A company produce three type of product i.e., Product A, Product B and Product C. The details about product are as follows:

	A	B	C
Material	3000	4000	5000
Labour	4000	5000	6000
Variable cost	5000	6000	7000
Fixed cost	5000	5000	5000

5 CO3 K4

According to sales manager Product A can be discontinued. Do you agree? Advise him.

d. Explain the concept of 'marginal costing'. What is the main difference between absorption costing and marginal costing? Discuss. 5 CO3 K2

5.a. Examine how Budgetary Control helps in identifying variances and taking corrective measures in an organization.. 5 CO4 K4

b. Define Budget and Budgeting. What are the essential features of a sound budgeting system? 5 CO4 K1

(OR)

c. Illustrate the steps involved in preparing a Flexible Budget and discuss its usefulness in dynamic business conditions. 5 CO4 K3

d. Discuss the limitations of Budgetary Control and suggest measures to overcome them in modern enterprises. 5 CO4 K2

6.a. Explain the classification of sources of funds based on period, ownership, and generation. Illustrate each category with suitable examples. 5 CO5 K1

b. Briefly explain the concept of working capital. 5 CO5 K2

(OR)

c. Define Business Finance. Explain the importance of adequate finance for the establishment and growth of a business. 5 CO5 K2

d. Critically evaluate the importance of adequate working capital. What are the consequences of excessive and inadequate working capital on business performance? 5 CO5 K6

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