

# DD–2878

## B. C. A. (Part III) EXAMINATION, 2020

Paper Eighth

FINANCIAL MANAGEMENT AND ACCOUNTANCY

*Time : Three Hours*

*Maximum Marks : 50*

*Minimum Pass Marks : 20*

**Note :** Attempt all the *five* questions. *One* question from each Units is compulsory. All questions carry equal marks. Only simple calculator is allowed not scientific calculator.

### Unit—I

1. What do you mean by Accounting ? Explain the nature and objectives of Financial Accounting.

*Or*

Define Profit & Loss Account. Explain its features and importance.

### Unit—II

2. Calculate the following ratios from the details given below :
  - (a) Current ratio

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- (b) Liquid Ratio
- (c) Operating Ratio
- (d) Gross Profit Ratio

	₹
Current Assets	80,000
Current Liabilities	40,000
Stock	20,000
Sales	1,50,000
Operating Expenses	25,000
Cost of Goods sold	75,000

*Or*

What is a Cost Sheet ? What are its advantages ?

**Unit—III**

3. What do you understand by Cost-Volume-Profit relationship ? Why is this relationship important in business management ?

*Or*

Find out from the following data :

- (a) B. E. P. in ₹
- (b) No. of units sold to earn profit ₹ 60,000 per year

Selling price	₹ 20 per unit
Variable manufacturing cost	₹ 11 per unit
Variable selling overhead	₹ 3 per unit
Fixed factory overhead	₹ 5,40,000 per year
Fixed selling overhead	₹ 2,52,000 per year

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**Unit—IV**

4. What is Budget ? Explain the different types of budgets.

*Or*

What are the main differences between Fixed Budget and Flexible Budget ?

**Unit—V**

5. What are the characteristics of Process Costing ? Name *three* industries where process costing can be applied.

*Or*

Differentiate between Variable costing and Absorption costing.

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