

Enrollment No./Seat No.:

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**Bachelor of Vocation - SEMESTER - I EXAMINATION - WINTER 2025**

**Subject Code: BV01008021**

**Date: 29-11-2025**

**Subject Name: Management Accounting-1**

**Time: 10:30 AM TO 12:30 PM**

**Total Marks: 50**

**Instructions**

- 1. Attempt all questions.**
- 2. Make Suitable assumptions wherever necessary.**
- 3. Figures to the right indicate full marks.**
- 4. Use of simple calculators and non-programmable scientific calculators are permitted.**

- |  | <b>Marks</b> |
|--|--------------|
| <b>Q.1 (a)</b> Analyse the difference between Management accounting and financial accounting.  | <b>05</b>    |
| <b>(b)</b> Write a Short note on Zero Based Budgeting  | <b>05</b>    |
| <b>Q.2 (a)</b> Explain the difference between Budget and Forecast.   | <b>05</b>    |
| <b>(b)</b> What do you understand by the term Budget and Budgetary Control? Also explain usefulness of budgets for any organization. | <b>05</b>    |

**OR**

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|---|-----------|
| <b>(b)</b> How would you differentiate fixed budget from flexible budget? | <b>05</b> |
| <b>Q.3 (a)</b> Explain Meaning and Importance of Flexible budget.         | <b>05</b> |
| <b>(b)</b> Write a short note on Activity Based Budgeting                 | <b>05</b> |

**OR**

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|--|-----------|
| <b>(a)</b> Give Definition of Cash Budget. State any three purposes of preparing Cash Budget.  | <b>05</b> |
| <b>(b)</b> Give a detailed format of Cash Budget.  | <b>05</b> |
| <b>Q.4 (a)</b> From the following statement of profit and loss of Madhu Co. Ltd., prepare comparative statement of profit and loss for the year ended March 31, 2024 and 2025: | <b>05</b> |

Particulars	2023-24	2024-25
Revenue from operations	16,00,000	20,00,000
Employee benefit expenses	8,00,000	10,00,000
Other expenses	2,00,000	1,00,000
Tax Rate	40%	40%

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|--|-----------|
| <b>(b)</b> Create a Common size statement for the year ended March 31, 2024 and 2025 from the information provided in Q. 4 (a) | <b>05</b> |
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**OR**

- (a) From the following statement of profit and loss of Dream Ltd., prepare Common size of profit and loss for the year ended March 31, 2024 and 2025: 05

Particulars	2023-24	2024-25
Revenue from operations	25,00,000	18,00,000
Cost of Goods Sold	12,00,000	10,00,000
Operating expenses	1,20,000	80,000
Non Operating expenses	15,000	12,000
Depreciation	40,000	20,000
Wages	20,000	10,000

- (b) Create a comparative statement for the year ended March 31, 2024 and 2025 from the information provided in Q. 4 (a) 05

- Q.5** (a) Prepare a Flexible budget for overheads on the basis of the following data. Ascertain the overhead rates at 50% and 60% capacity. 05

Variable overheads: At 60% capacity:

Indirect Material	Rs. 6,000
Indirect Labour	Rs. 18,000

Semi-variable overheads:

Electricity: (40% Fixed & 60% variable)	Rs. 30,000
Repairs: (80% fixed & 20% Variable)	Rs. 3,000

Fixed overheads:

Depreciation	Rs. 16,500
Insurance	Rs. 4,500
Salaries	Rs. 15,000
Total overheads	Rs. 93,000

Estimated direct labour hours      1,86,000

- (b) Give a Detailed format for flexible budget at any three level of capacity showing contribution and net profit. 05

**OR**

- (a) TATA Co. Ltd. is to start production on 1st January 2011. The prime cost of a unit is expected to be Rs. 40 (Rs. 16 per materials and Rs. 24 for labour). In addition, variable expenses per unit are expected to be Rs. 8 and fixed expenses per month Rs. 30,000. Payment for materials is to be made in the month following the purchase. One-third of sales will be for cash and the rest on credit for settlement in the following month. Expenses are payable in the month in which they are incurred. The selling price is fixed at Rs. 80 per unit. The number of units to be produced and sold is expected to be: 05

January 900; February 1200; March 1800; April 2000; May 2,100 June 2400

Draw a Cash Budget indicating cash requirements from month to month.

**(b)** Explain any case you have observed in real life which shows the usefulness of financial statement analysis

**05**

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