

S.No. : 362

BCOM 2405

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Following Paper ID and Roll No. to be filled in your Answer Book.

PAPER ID : 37822

Roll
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B. Com. (Honours) Examination 2021-22

(Even Semester)

MANAGEMENT ACCOUNTING

Time : Three Hours]

[Maximum Marks : 60

Note :- Attempt all questions.

SECTION-A

1. Attempt all parts of the following : 8×1=8

- (a) What is margin of safety?
- (b) Define stock turnover ratio.
- (c) What is financing activity?
- (d) What is net working capital?
- (e) Write the formula of quick ratio.

[P. T. O.]

- (f) Write two advantages of standard costing technique.
- (g) What is master budget?
- (h) Define marginal cost.

SECTION – B

2. Attempt any two parts of the following : $2 \times 6 = 12$

- (a) Differentiate between management accounting and financial accounting.
- (b) What is profitability ratio? Explain various profitability ratios related to sales, investment and managerial decision making.
- (c) The following are the estimates for the year 2018-19 related to a manufacturing concern :

Sales units	:	25,000
Fixed costs	:	₹ 1,20,000
Sales value	:	₹ 4,00,000
Variable cost	:	₹ 8 per unit

You are required to :

- (i) Find out P/V ratio, break even point and margin of safety.

- (ii) Calculate the revised P/V ratio, break even point and margin of safety in each of the following cases :
- (1) Increase of 10% in variable cost.
 - (2) Decrease of 10% in selling price.
- (d) Distinguish between fixed budget and flexible budget.

SECTION – C

Note :- Attempt all questions. Attempt any two parts from each questions. 5×8=40

3. (a) Explain the various tools and techniques of management accounting.
- (b) What is management accounting? Explain the various scopes and functions of management accounting.
- (c) “Management accounting has been evolved to meet the needs of management.” Explain this statement fully.
4. (a) What is fund flow statement? Explain the concept of statement of change in working capital along with the format.

[P. T. O.]

- (b) Differentiate between cash flow statement and fund flow statement.
- (c) What is ratio analysis? Write down the importance and limitations of ratio analysis.
5. (a) In a period sales amount to ₹ 2,00,000 and the net profit is ₹ 20,000. Fixed overheads are ₹ 30,000. Find out :
- (i) P/V ratio
 - (ii) Profit when sales will be ₹ 3,00,000
- (b) The production of a certain unit requires 80 kg of material, costing ₹ 3/kg. On the completion of production of a unit it was found that 75 kg of material costing ₹ 3.5 per kg has been consumed. Calculate material cost variance, material price variance and material usage variance.
- (c) What is variance analysis? Explain the various types of variance.
6. (a) Write short notes on the following functional budgets :
- (i) Sales budget

- (ii) Production budget
 - (iii) Material budget
 - (iv) Labour budget
- (b) Explain the concept of budgeting and budgetary control. Discuss the importance of budgetary control.
- (c) With the following data for a 50% activity, prepare a flexible budget for production at 70% and 90% capacity :
- (1) Production at 50% capacity - 500 units
 - (2) Estimated cost per unit at 50% activity
 - (i) Direct material – ₹ 12
 - (ii) Direct labour – ₹ 6
 - (iii) Variable expenses – ₹ 4
 - (iv) Factory overhead (50% fixed) – ₹ 4
 - (v) Administrative overhead (50% fixed)
₹ 4
