

**2022/TDC/ODD/SEM/
COMDSE-501T/502T (A)/349**

TDC (CBCS) Odd Semester Exam., 2022

COMMERCE

(5th Semester)

Course No. : COMDSE-501T/502T (A)

(Management Accounting)

Full Marks : 70

Pass Marks : 28

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

UNIT—I

1. Answer any four of the following as directed :

1×4=4

**(a) The term 'Management Accounting' was
first used in ____.**

(Fill in the blank)

**(b) Management Accounting deals with
both quantitative information and
qualitative information.**

(Write True or False)

(2)

- (c) Write one limitation of Financial Accounting.
- (d) Write one function of Cost Accounting.
- (e) State one of the duties of Management Accountant.

2. Answer any *one* of the following questions : 2

- (a) Write two characteristics of Management Accounting.
- (b) What is cost management?

3. Answer any *one* of the following questions : 8

- (a) State the objectives of Management Accounting.
- (b) Distinguish between Cost Accounting and Management Accounting.

UNIT—II

4. Answer any *four* of the following as directed :

1×4=4

- (a) Zero-based Budgeting was first used by ____.

(Fill in the blank)

(3)

- (b) Flexible budgets change with the level of activity.

(Write True or False)

- (c) Write one objective of budgetary control.
- (d) Write one limitation of budgetary control.
- (e) Write one difference between fixed budget and flexible budget.

5. Answer any *one* of the following questions : 2

- (a) What is master budget?
- (b) What is production budget?

6. Answer any *one* of the following questions : 8

- (a) What are the requisites for a successful budgetary control system?
- (b) With the following data for a 60% activity, prepare a budget for production at 80%, 90% and 100% capacity :

Production at 60% activity—600 units

Materials—₹ 100 per unit

Labour—₹ 40 per unit

Direct Expenses—₹ 10 per unit

Factory Overheads—₹ 40,000 (40% fixed)

Administration Expenses—₹ 30,000 (60% fixed)

(4)

UNIT—III

7. Answer any *four* of the following as directed :

1×4=4

(a) Three types of standards are ____.
(Fill in the blank)

(b) The difference between actual cost and standard cost is known as profit.
(Write True or False)

(c) Write the formula for Idle Time Variance.

(d) Write one advantage of standard costing.

(e) Estimated costs are based on ____ accounting.

(Fill in the blank)

8. Answer any *one* of the following questions : 2

(a) What is standard costing?

(b) Write the names of various labour variances.

9. Answer any *one* of the following questions : 8

(a) Distinguish between Standard Costing and Budgetary Control.

(5)

(b) From the following data, calculate—

(i) Material Cost Variance;

(ii) Material Price Variance;

(iii) Material Usage Variance;

(iv) Material Mix Variance :

Materials	Standard		Actual	
	Quantity (units)	Price per unit (₹)	Quantity (units)	Price per unit (₹)
A	80	8.00	90	7.50
B	70	3.00	80	4.00
	150		170	

UNIT—IV

10. Answer any *four* of the following as directed :

1×4=4

(a) P/V ratio can be improved by reducing the fixed costs.

(Write True or False)

(b) In marginal costing, variable costs are regarded as the ____ of the product.

(Fill in the blank)

(c) Write one assumption of marginal costing.

(6)

- (d) Give one advantage of contribution.
- (e) Name the methods of computing break-even point.

11. Answer any *one* of the following questions : 2

- (a) What is break-even analysis?
- (b) Discuss two importances of margin of safety.

12. Answer any *one* of the following questions : 8

- (a) "The technique of marginal costing can be a valuable aid to management." Discuss.

- (b) Calculate the following :

- (i) The amount of fixed expenses
- (ii) The number of units to break-even
- (iii) The number of units to earn a profit of ₹ 40,000

The selling price per unit can be assumed at ₹ 100

The company sold in two successive periods 7000 and 9000 units and has incurred a loss of ₹ 10,000 and earned ₹ 10,000 as profit respectively

(7)

UNIT—V

13. Answer any *four* of the following as directed :

1×4=4

- (a) In differential costing, the differences are measured from a common base point.

(Write True or False)

- (b) Differential cost and _____ are the same.
(Fill in the blank)

- (c) Write one factor influencing pricing decision.

- (d) What are relevant costs?

- (e) Write one managerial application of differential cost analysis.

14. Answer any *one* of the following questions : 2

- (a) Write two essential features of differential costing.

- (b) What is profitable product mix?

15. Answer any one of the following questions : 8

- (a) Explain the various methods of pricing.
- (b) A manufacturing company finds that while the cost of making a component X in its own workshop is ₹ 8.00 each, the same is available in market at ₹ 6.50 with an assurance of continuous supply. Give your suggestion whether to make or buy this component. Give also your views in case the supplier reduces the price from ₹ 6.50 to ₹ 5.50. The cost data is as follows :

	₹
Material	3.00
Direct Labour	2.00
Other Variable Expenses	1.00
Depreciation and Other Fixed Expenses	2.00
	<u>8.00</u>

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