b. Financial Forecasting

c. Value Chain Analysis

10. Distinguish between Traditional Costing and Activity Based Costing. Also mention the steps involved in establishing Activity Based Costing. 8+6=14

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PG Even Semester Exam, May 2025

Commerce

4th Semester

COURSE NO. COM - 652

[Accounting for Managerial Decision]

Full Marks : 70
Pass Marks : 28

Time : 3 hours

The figures in the margin indicate full marks for the questions

Answer five questions, taking one from each Unit

UNIT-I

1. Briefly outline the various tools and techniques of Management Accounting. 14

2. State the characteristics of Management Accounting. Also mention the differences between Management Accounting and Financial Accounting. 7+7=14

UNIT-II

3. Write notes on any two of the following: 7x2=14

   a. Zero-Base Budgeting

   b. Control Ratio

   c. Fixed and Flexible Budget

4. a. With the following data for a 60% activities prepare a budget for production at 80% and 100 % capacity. 10

Production at 60% Capacity	1200 units
Materials	Rs. 50 per unit
Labour	Rs. 20 per unit
Direct expenses	Rs. 5 per unit
Factory Overheads	Rs. 40,000(40% Fixed)
Administration Expenses	Rs. 30,000(60% Fixed)

b. Write the objectives of budgetary control. 4

UNIT-III

5. Write the basic assumptions of marginal costing. Briefly outline the managerial application of marginal costing. 4+10=14

6. a. What is breakeven point? What are its assumptions? 2+4=6

b. From the following information , calculate : 8

i. P/V ratio

ii. Break-even point

iii. Margin of safety

Total sales	Rs. 7,20,000
Selling price per unit	Rs. 200
Variable cost per unit	Rs. 100
Fixed cost	Rs. 2,00,000

iv. If the selling price is reduced to Rs. 180, by how much is the margin of safety reduced?

UNIT-IV

7. Distinguish between Cash Flow Statement and Fund Flow Statement. Mention the procedure for preparing a Cash Flow Statement. 8+6=14

8. The following details are available from a company: 14

	31.12.2020	31.12.2021		31.12.2020	31.12.2021
Share Capital	70,000	74,000	Cash	9,000	7800
Debentures	12,000	6,000	Debtors	14,900	17,700
Reserve for			Stock	49,200	42,700
Doubtful Debt	700	800	Land	20,000	30,000
Trade creditors	10,360	11,840	Goodwill	10,000	5,000
P/L A/c	10,040	10,560			
	1,03,100	1,03,200		1,03,100	1,03,200

In addition, you are given:

i. Dividend paid Rs. 3,500

ii. Land was purchased for Rs. 10,000

iii. Amount provided for amortization of goodwill Rs. 5,000

iv. Debenture paid off Rs. 6,000.

Prepare cash flow statement.

UNIT-V

9. Write note son any two of the following: 7x2=14

a. Balance scorecard