PG Odd Semester (CBCS) Exam., December—2017

COMMERCE

(3rd Semester)

Course No. : COMCC–305

(Management Accounting)

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. "The managerial objectives of accounting are to provide data to help management in planning, decision-making, coordinating and controlling operations." Discuss. 14

2. Discuss, in detail, the functions of management accounting. Explain the nature and scope of management accounting. 7+7=14

UNIT—II

3. Explain the term 'budgetary control'. Elucidate the essentials which are necessary for successful implementation of a budgetary control system in an organization. 4+10=14

4. "The aim of responsibility accounting is not to place blame. Instead, it is to evaluate performance and provide feedback so that operations can be improved." Discuss. 14

UNIT—III

5. The fixed costs amounts to ₹50,000 and the percentage of variable costs to sales is given to be $66\frac{2}{3}$%. If 100% capacity sales are ₹3,00,000, find out the break-even point and percentage of sales when it occurred. Determine profit at 80% capacity. 4+5+5=14

6. The Assam Company manufactures and sales direct to consumers 10000 containers of 'Everest' per month at ₹1·25 per container. The company's normal production capacity is 20000 containers per month. An analysis of cost for 10000 containers is given below :

Particulars	*Amount* (₹)
Direct Materials	1,000
Direct Labour	2,475
Power	140

Particulars	*Amount* (₹)
Direct Expenses	600
Miscellaneous Supplies	430
Fixed Expenses of Manufacturing, Selling and Administration	7,955
Total	12,600

The company has received an offer for the export under a different brand name of 'Evergreen' of 10000 containers per month at 75 paise a container.

Write a short report on the advisability or otherwise of accepting the offer. 14

UNIT—IV

7. Explain the term 'variance analysis'. Narrate the significance of variance analysis in managerial decision-making. 5+9=14

8. The following data is taken out from the books of a manufacturing concern :

Budgeted labour composition for producing 100 articles :

20 men @ ₹1·25 per hour for 25 hours
30 women @ ₹1·10 per hour for 30 hours

Actual labour composition for producing 100 articles :

25 men @ ₹1·50 per hour for 24 hours
25 women @ ₹1·20 per hour for 25 hours

Calculate *(a)* Labour Cost Variance, *(b)* Labour Rate Variance, *(c)* Labour Efficiency Variance and *(d)* Labour Mix Variance. 14

UNIT—V

9. What is the significance of reporting system in a company? Discuss the various kinds of reports prepared for different levels of management. 5+9=14

10. Write short notes on (any *two*) : 7×2=14

(a) Activity-based Costing

(b) Value Chain Analysis

(c) Financial Forecasting

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