

2022

(4th Semester)

COMMERCE

Paper : BC-403

(Accounting for Managerial Decision)

(PART : A—OBJECTIVE)

(Marks : 25)

The figures in the margin indicate full marks for the questions

1. Choose the correct answer and place its code in the brackets provided : 1×10=10

(a) Accounting is the application of knowledge comprising of

(i) accepted theories

(ii) principles and rules

(iii) concepts and conventions

(iv) All of the above

[]

(b) Financial Accounting deals with

(i) determination of profits

(ii) determination of costs

(iii) determination of price

(iv) None of the above

[]

(c) Which of the following is concerned with providing information to management for taking managerial decisions?

- (i) Financial Accounting
- (ii) Cost Accounting
- (iii) Management Accounting
- (iv) Social Responsibility Accounting []

(d) Management Accounting is concerned with

- (i) providing accounting information
- (ii) policy formulation
- (iii) controlling performance
- (iv) All of the above []

(e) Marginal costing is known as

- (i) Fixed Cost
- (ii) Variable Cost
- (iii) Semi-variable Cost
- (iv) None of the above []

(f) Sales—₹ 1,50,000; Fixed Cost—₹ 30,000; Profit—₹ 40,000, then Variable Cost is

- (i) ₹ 1,00,000
- (ii) ₹ 80,000
- (iii) ₹ 60,000
- (iv) ₹ 40,000 []

(g) Which of the following is not tool of Management Accounting?

(i) Standard costing

(ii) Human resource accounting

(iii) Budgetary control

(iv) Marginal costing

[]

(h) Repayment of long-term loan is a cash from

(i) operating activities

(ii) financing activities

(iii) investing activities

(iv) None of the above

[]

(i) Oral report includes

1. Group meetings

2. Conferences with individuals

3. Interviews

4. Sales reports

Select the correct answer using the codes given below :

(i) 1, 2 and 4

(ii) 1, 3 and 4

(iii) 1, 2 and 3

(iv) 1, 2, 3 and 4

[]

- (j) Special reports may deal with
- (i) reports on production
 - (ii) purchase of raw materials
 - (iii) technological changes in the industry
 - (iv) reports on sales

2. State whether the following statements are True (T) or False (F) by putting a Tick (✓) mark : 1×5=5

(a) Management Accounting deals with only quantitative data. (T / F)

(b) Financial Accounts are of historical in nature. (T / F)

(c) Contribution helps the management in fixation of selling prices. (T / F)

(d) Debt-equity ratio measures short-term financial position of the business. (T / F)

(e) Reporting is not equivalent to communication. (T / F)

(5)

3. Write short notes on the following : $2 \times 5 = 10$

(a) Cost Accounting

01-2 (b) Management Information System

- (i) reports on production
- (ii) Cost Accounting
- (iii) purchase of raw materials
- (iv) reports on sales

2. State whether the following statements are True (T) or False (F) by putting a tick (✓) mark.

(a) Management Accounting deals with only quantitative data.

(b) Financial accounts are of historical nature.

(c) Contribution helps the management in fixation of selling prices.

(d) Debt-equity ratio measures short-term financial position of the business.

(e) Reporting is not equivalent to communication.

(c) Break-even Analysis

(b) Ratio Analysis

(d) Ratio Analysis

(c) Break-even Analysis

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(e) Graphic Reporting

BC/AMD-400

2022

Six Semester

COMMERCE

Year (BC/AMD)

Time 12:00

188-1-201

2022-2023 Academic Year

As shown in the characteristic of the

With the present level of management

BC/AMD-403/297

22L-900

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BC/AMD-403

2022

(4th Semester)

COMMERCE

Paper : BC-403

(Accounting for Managerial Decision)

Full Marks : 70

Pass Marks : 45%

Time : 3 hours

(PART : B—DESCRIPTIVE)

(Marks : 45)

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

1. (a) Explain the characteristics and limitations of financial accounting. 4+5=9

Or

- (b) What is the primary role of management accounting in managerial decision making? Discuss the functions of management accounting. 2+7=9

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(Turn Over)

(2)

2. (a) Discuss the nature and scope of management accounting. 4+5=9

Or

- (b) Define management accounting. How does management accounting differ from financial accounting? 2+7=9

3. (a) "Marginal costing is essentially a technique of cost analysis and cost presentation." Discuss the statement with reference to the applications of marginal costing. 9

Or

- (b) A factory produces 300 units of a product per month. The selling price is ₹ 120 and variable cost is ₹ 80 per unit. The fixed expenses of the factory amount to ₹ 80,000 per month. Calculate—

- (i) break-even point in units and value;
(ii) value of sales to earn a profit of ₹ 7,000 per month;
(iii) estimated profit in a month wherein 240 units are produced. 3×3=9

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(Continued)

(3)

4. (a) Following are the two Balance Sheets on M Ltd. and K Ltd. as on 31.03.2021 :

(₹ in lakhs)

	M Ltd.	K Ltd.
Assets		
Cash	27	72
Sundry Debtors	220	226
Stock	100	174
Prepaid Expenses	11	21
Other Current Assets	10	21
Fixed Assets (Net)	635	513
	<u>1003</u>	<u>1027</u>

Liabilities & Capital

Sundry Creditors	42	154
Other Current Liabilities	78	62
Fixed Liabilities	225	318
Capital	658	493
	<u>1003</u>	<u>1027</u>

- From the above data, prepare a Common Size Balance Sheet. Compare and comment on the financial positions of the two companies. 9

Or

- (b) What is a cash flow statement? Explain the uses and significance of cash flow statement. 2+7=9

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(Turn Over)

(4)

5. (a) Explain the objectives and methods of reporting. 4+5=9

Or

(b) Discuss the various kinds of reports prepared by the management accountant. 9
