

December 2023

B.Com(Honours) - V SEMESTER

Management Accounting (BCOMH-503A)

Time: 3 Hours

Max. Marks:75

- Instructions:**
1. It is compulsory to answer all the questions (1.5 marks each) of Part -A in short.
 2. Answer any four questions from Part -B in detail.
 3. Different sub-parts of a question are to be attempted adjacent to each other.

PART -A

- Q1 (a) Define management accounting. (1.5)
- (b) Who are the internal users of management information system? (1.5)
- (c) Define cost management. (1.5)
- (d) What is the difference between absorption costing and variable costing? (1.5)
- (e) Discuss the importance of cost-volume-profit analysis in management accounting. (1.5)
- (f) Discuss the role of budgeting in management accounting. (1.5)
- (g) What is meant by zero base budgeting? (1.5)
- (h) Define 'standard costing' and its applications in management accounting. (1.5)
- (i) Examine the concept of variance analysis in management accounting. (1.5)
- (j) Define the term 'responsibility accounting' in management accounting. (1.5)

PART -B

- Q2 (a) Discuss comprehensively the nature, objectives, and scope of management accounting, highlighting its pivotal role in supporting organizational decision-making, planning, and performance evaluation in the dynamic business environment. (10)
- (b) How does effective cost control contribute to organizational efficiency and financial stability? (5)
- Q3 (a) What is Marginal Costing? Explain the practical application of marginal costing with examples. (5)
- (b) The following data is given: (10)
- Fixed cost = ₹12000
Selling price = ₹12 per unit
Variable cost = ₹ 9 per unit
- (1) What will be the profit when sales are a) ₹ 60000 b) ₹ 100000?
(2) What will be the amount of sales at desired to earn a profit of c) 6000; d) 15000?
- Q4 Examine the mathematical and graphical approaches in break-even analysis, elucidating their methodologies, applications, and significance in aiding managerial decision-making for optimal business operations and financial planning. (15)
- Q5 (a) What are the major factors influencing pricing decisions, and how do they impact the pricing strategy of a business? (5)
- (b) How do the steps in the decision-making process contribute to effective management accounting decisions, specifically in the context of 'make or buy' decisions and (10)

evaluating special offers for acceptance or rejection?

- Q6 (a) Discuss the advantages, limitations, and practical applications of standard costing, evaluating its effectiveness in cost management and performance evaluation within organizational contexts. (10)
- (b) Describe the basic types of responsibility centers. Correlate the measurement of inputs and outputs with references to different types of responsibility centers. (5)
- Q7 Explore and critically assess the concept of budget, budgeting, and budgetary control, delving into their objectives, merits, and limitations, and discuss how they collectively contribute to effective financial management and organizational performance. (15)
