

MASTER OF COMMERCE (CBCS - 2018 COURSE)
M.Com. Sem-IV :SUMMER- 2022
SUBJECT : MANAGEMENT ACCOUNTING-II

Day : Friday
Date : 1/7/2022

S-18545-2022

Time : 03:00 PM-06:00 PM
Max. Marks : 60

N. B. :

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of **CALCULATOR** is allowed.

Q.1 What is 'Variance'? Explain managerial uses of variance. **(16)**

OR

- a) Explain advantages of Standard Costing. **(08)**
- b) Discuss on Material Variance in detail. **(08)**

Q.2 What is 'Budget'? Explain Master Budget in detail. **(16)**

OR

From the following information relating to Cadbury Ltd. prepare a flexible budget at 60% and 80% capacity.

	Particulars	70% Capacity Rs.
A)	<u>Variable overheads</u>	
	Indirect Material	5,000
	Indirect Labour	15,000
B)	<u>Semi variable overheads</u>	
	Electricity	50,000
	Variable 60%	
	Fixed 40%	
	Repairs & Maintenance	5,000
	Variable 65%	
	Fixed 35%	
C)	<u>Fixed overheads</u>	
	Salaries to staff	10,000
	Depreciation on machines	14,000
	Insurance on machines	6,000
	Total	1,05,000

P.T.O.

Q.3 What is 'Marginal Costing'? Explain advantages and limitations of marginal costing. (16)

OR

From the following information find out-

- a) P/v Ratio
- b) Sales required to earn profit of Rs.3,20,000
- c) Sales required to Break-even
- d) Margin of safety

Selling price per unit	-	Rs.80
<u>Variable Cost Per Unit</u>		
Direct Material	-	Rs.20
Direct Labour	-	Rs.14
Variable overheads	-	100% of direct labour cost
Fixed expenses	-	Rs. 1,28,000

Q.4 Write short notes on **ANY THREE** of the following : (12)

- a) Cost Budget
- b) Average Rate of Return method
- c) Importance of variance
- d) Labour variance
- e) P/V ratio

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