

Printed Pages: 02

Sub Code: 405

Paper Id:

293407

Roll No.

--	--	--	--	--	--	--	--	--	--

MAM
(SEM- IV) THEORY EXAMINATION 2017-18
Cost & Management Accounting (Carry Over)

Time: 3 Hours

Total Marks: 100

Note: 1. Attempt all Sections. If require any missing data; then choose suitably.

SECTION A

1. Attempt all questions in brief. 2 x 10 = 20

- a. What do you mean by rolling budget?
- b. What is P/V ratio?
- c. Discuss material usage variance.
- d. Define flexible budget.
- e. List out the scope of management Accounting.
- f. What do you mean by contribution margin?
- g. What are control ratios?
- h. What is transfer price?
- i. Explain the concept of zero base budgeting.
- j. What is prime Cost?

SECTION B

2. Attempt any three of the following: 10 x 3 = 30

- a. What is differential costing? Clearly explain its role in management decision-making.
- b. What is variance analysis? What is its significance in decision making?.
- c. "Responsibility accounting is an important device for control" Discuss.
- d. On the basis of following data, compute material variances.

<u>Standard</u>	Material A- 30 kg@ Rs. 4 per kg=	Rs. 120
	Material B- 70 Kg @ Rs. 5 per kg=	Rs. 350
		Rs. 470

Standard output is 90% of input means 90 units & process loss is 10%.

Actual – Material A = 700 kg @ Rs. 6 per kg.

Material B= 300 kg @ Rs. 4 Per kg.

Actual output is 80% of input means 800 units & process loss is 20%.

- e. With a view to increase the volume of sales, Ambitious enterprises has in mind a proposal to reduce the price of its product by 20% . No change in total fixed costs or variable costs per units is estimated. The directors, however , desire the present level of profits to be maintained. Following information has been provided:-
Sales 50,000 units = Rs. 5,00,000

Variable costs = Rs. 5 per unit

Fixed Costs = Rs. 50,000

So, advice the management on the basis of above data.

SECTION C

- 3. Attempt any *one* part of the following: 10 x 1 = 10**
- What is management accounting? How it differs from cost accounting?.
 - What do you mean by budget? What are the characteristic of a good budget?.
- 4. Attempt any *one* part of the following: 10 x 1 = 10**
- Explain the concept of marginal costing. What are the characteristic and assumptions of marginal costing?.
 - What is standard costing? Clearly discuss. Also discuss the limitations and advantages of standard costing.
- 5. Attempt any *one* part of the following: 10 x 1 = 10**
- Clearly explain the concept of transfer pricing.
 - What do you mean by different types of cost? Discuss
- 6. Attempt any *one* part of the following: 10 x 1 = 10**
- What is budgetary control? Clearly discuss the advantages and limitations of budgetary control.
 - Clearly explain various labour variances.
- 7. Attempt any *one* part of the following: 10 x 1 = 10**
- Clearly discuss management accounting principles.
 - Distinguish between master budget and functional budget. How does management make use of master budget?