

TILAK MAHARASHTRA VIDYAPEETH, PUNE
MASTER OF COMMERCE (M.COM.)
EXAMINATION : MAY - 2023
FIRST SEMESTER
Sub: Management Accounting(MCC-111)

Date: 27/05/2022

Total Marks :100

Time: 10.00am to 1.00 pm

Instructions: 1) All questions are compulsory.
2) Figures to the right indicate full marks.

Q.1 Answer the following questions. (Attempt any two) (30)

1. Gasco Ltd. Delhi provides you with the following additional cost data regarding its operations for 2018-19.

Invoice price Rs. 20 per unit

Works on cost-Fixed Rs. 61000 p.a.

Production cost –Marginal Rs. 11 per unit

Selling overheads –Rigid Rs. 29000 p.a.

Distribution overheads –differential Rs. 3 per unit.

Calculate

- a) Breakeven point in amount of sales in rupees

Number of units to be sold to earn a profit of Rs. 30000 per year

2. Following are the details of Y Ltd. You are required to prepare production budget for 6 months ending on 31st March 2018 for a factory producing four products from the following information.

Product	Estimated stock on 30 th September 2017 (in units)	Estimated sales during September 2017 to march 2018(in units)	Desired closing stock on 31 st march 2018 (in units)
A	7,000	25,000	9,000
B	9,000	33,000	11,000
C	10,000	40,000	8,000
D	13,000	47,000	7,000

- 3.

Following are the estimates of sales department.

Particulars	Rs.
Advertisement	17,000
Salaries of sales department	90,000
Expenses of sales department	13,000
Counter salesman's salaries	60,000

Commission to counter salesman at 2% of their sales.

Travelling salesman's commission at 15% on their sales and expenses at 10% on their sales.

The sales during the period are estimated as follows:

Counter sales	Travelling salesman's sales
1,00,000	30,000
6,00,000	1,00,000
9,00,000	2,00,000

You are required to prepare sales-overhead budget.

4. Distinguish between forecast and budget

Q.2 Answer the following. (Attempt any three) (30)

1. What is meant by management accounting? Explain by giving examples.
2. Dabur India Ltd, Mumbai has earned a contribution of Rs. 200000 and a net profit of Rs. 140000 on sales of Rs. 800000. Find out the margin of safety
3. Explain in detail factors influencing the capital structure
4. Advantages of budgetary control explain
5. Budgeting analysis state and explain .

Q.3 Write short notes. (Attempt any four) (20)

1. Marginal costing
2. Breakeven point
3. Fund flow statement
4. Production budget
5. MIS
6. Standard costing

Q.4 Select the Correct Alternatives (Attempt Any Ten)

(20)

- 1 _____ establishes the relationship between costs and profit with sales volume.
 - a) Break even analysis
 - b) CVP analysis
 - c) Budgeting analysis
 - d) None of these
- 2 Contribution = Sales (-) Fixed cost
 - a) True
 - b) False
 - c) Sometimes true
 - d) Sometimes false
- 3 According to _____ an enterprise should prepare a cash flow statement and should present it for each period for which financial statements are prepared.
 - a) AS-1
 - b) AS-3
 - c) AS-2
 - d) None of these
- 4 Organization uses a combination of policies and techniques for the management of working capital.
 - a) True
 - b) False
 - c) Sometimes true
 - d) Sometimes false
- 5 Budgetary control does not aim at an optimum usage of resources to derive a maximum monetary gain.
 - a) True
 - b) False
 - c) Sometimes true
 - d) Sometimes false
- 6 _____ system facilitates delegation of authority.
 - a) Standard costing
 - b) Marginal costing
 - c) Budgeting
 - d) None of these
- 7 _____ is a process of allocation of resources.
 - a) Costing
 - b) Accounting
 - c) Budgeting
 - d) None of these
- 8 A budgetary control system serves the basic purposes namely planning, co-ordination and control.
 - a) True
 - b) False
 - c) Sometimes true
 - d) Sometimes false
- 9 _____ is a written document which carries the information.
 - a) MIS
 - b) Report
 - c) manual
 - d) None of these
- 10 A good reporting system should have an improper flow of information.
 - a) True
 - b) False
 - c) Sometimes true
 - d) Sometimes false
- 11 The objective of _____ is to secure for optimum working capital.
 - a) Production budget
 - b) Cash budget
 - c) Sales budget
 - d) None of these
- 12 _____ management is responsible for the actual execution of policies.
 - a) Higher level
 - b) Lower level
 - b) Middle level
 - c) None of these