 UG/3rd Sem/MANG(H)/T/19

2019

B.Com.

3rd Semester Examination

MARKETING MANAGEMENT (Honours)

Paper—C 6-T

Full Marks : 60 Time : 3 Hours

The figures in the margin indicate full marks. Candidates are required to give their answers in their own words as far as practicable.

Management Accounting

1. Answer any ten questions : 2×10=20

   (a) Define 'Management Accounting'. 2

   (b) What is meant by "Flow" in a Cash Flow statement? 2

   (c) What do you mean by 'Ratio'? 2

   (d) Define 'Flexible budget'. 2

   (e) What is Semi-Variable cost'? 2

   (f) What do you mean by 'Break-Even Point'? 2

   (g) Mention the important functions of Management Accounting. 2

[Turn Over]

(h) Express the term 'Angle of Incidence'. 2

(i) Define budget period. 2

(j) What is 'Labour rate variance'? 2

(k) What is 'Zero base budgeting' (ZBB)? 2

(l) Calculate 'liquid ratio' from the following data :

Total Current Assets Rs. 60,000; Total Current Liabilities Rs. 30,000; Bank Overdraft Rs. 10,000; Stock Rs. 14,000; Prepaid Expenses Rs. 6000.

(m) What is 'marginal cost equation'? 2

(n) Define 'standard costing'. 2

(o) Define 'proprietors fund'. 2

2. Answer *any four* questions : 5×4=20

(a) Give a specimen of a 'Cash Flow Statement' following Indian Accounting Standard (Ind-As)7, and using imaginary figures. 5

(b) Differentiate between 'budgeting' and 'budgetary control'. 5

(c) Write down the main advantages of standard costing. 5

(d) Distinguish between 'Absorption Costing' and 'Marginal Costing'. 5

(e) Calculate the break even point of sales in units and in rupees of a manufacturing concern from the following particulars :

Selling price per unit Rs. 60; Variable cost per unit Rs. 40 and Fixed expenses Rs. 6,00,000. 5

(f) Write short notes on : (*any two*) 2½×2=5

(i) Contribution/Sales ratio;

(ii) Budget and Forecast ;

(iii) Current Ratio ;

(iv) Direct Material Price Variance.

3. Answer *any two* questions : 10×2=20

(a) From the following information, calculate

(i) P/V ratio ; and

(ii) Fixed cost.

[Turn Over]

Month	Sales (Rs)	Costs (Rs)
July	27,500	20,750
August	25,000	19,375

(b) Write short notes on : (*any two*) 5×2=10

(i) Financial Accounting Vs Cost Accounting;

(ii) Key Factor of Production ;

(iii) Limitations of Ratio Analysis ;

(iv) Margin of Safety.

(c) Prepare a summarised balance sheet of a sole proprietor in detail as on 31st March, 201X : 10

Fixed Assets Rs. 16,00,000

Current Ratio 3 : 1

Reserve included in proprietors' Fund $\frac{1}{5}$

Current liabilities Rs. 3,00,000

Cash at Bank Rs. 30,000

Long Term Loan ?

Acid Test Ratio 3 : 2

Fixed Assets to net worth
(Proprietors' Fund) 0.8 : 1

Current Assets	?
Debtors	?
Stock	?

(d) The following are the budgeted expenses for production of 500 units of a product :

	Rs. per unit
Direct Material	180
Direct Labour	50% of direct material cost
Variable Overhead	75
Fixed Overhead (Rs. 22,500)	45
Variable expenses (direct)	15
Selling expenses (10% Fixed)	45
Administration Expenses (Rs. 7500) (fixed for all levels of production)	15

[Turn Over]

Distribution expenses (20% fixed)	15
S.P. per unit	510

Prepare a Flexible budget for production of 300, 350 and 400 units showing distinctly contribution and profit. 10