

- (e) Define variance.
- (f) Define product cost.
- (g) Define standard costing.
- (h) Define overhead variances.

SECTION – B

2. Attempt any two parts of the following : $2 \times 6 = 12$

- (a) What is Management Accounting? Explain its various scope and functions.
- (b) What is Budgetary Control? How would you distinguish it from standard costing?
- (c) What do you mean by Variance Analysis? Explain its various significance.
- (d) A manufacturing concern which has adopted standard costing furnishes the following information :

Standard :

Material for 80 kg finished products 100 kg

Price of materials ₹ 1.20 per kg

3

BBAL 2201

Actual :

Output 2,40,000 kg

Material used 3,15,000 kg

Cost of materials ₹ 3,46,500

Calculate :

- (i) Material usage variance
- (ii) Material price variance
- (iii) Material cost variance

SECTION – C

Note :- Attempt all questions of this section.

3. Attempt any two part of the following : 5×2=10

- (a) “Management accounting is a mid-way between financial accounting and cost accounting.” Explain.
- (b) Explain the differences between Financial Accounting and Management Accounting. Also point out the similarities, if any.

[P. T. O.]

- (c) Briefly explain the various techniques of management accounting in management decision making.

4. Attempt any two part of the following : $5 \times 2 = 10$

- (a) What is Marginal Costing? State its various advantages and disadvantages.
- (b) What is Margin of Safety? How is it computed?
- (c) Calculate break-even point in rupees :

| | I st Year ₹ | II nd Year ₹ |
|--------|---------------------------|----------------------------|
| Sales | 80,000 | 90,000 |
| Profit | 10,000 | 14,000 |

5. Attempt any two part of the following : $5 \times 2 = 10$

- (a) What do you mean by Cost Volume Profit Analysis?
- (b) What are the several types of standards? What are the assumptions on which these standards are based.

(c) Distinguish between absorption costing and marginal costing.

6. Attempt any two part of the following : $5 \times 2 = 10$

(a) Define Budget. Explain the various types of budget.

(b) Briefly explain the objectives, merits and demerits of budgetary control.

(c) The cost of production of 1,000 units is given below :

| | |
|-----------|--------------------|
| Material | 20,000 |
| Labour | 10,000 |
| Overheads | 20,000 (60% fixed) |

Find out marginal cost in total and per unit and test the equation $Tc = VQ + F$.
