

Exam. Code : 217601

Subject Code : 5628

M.Com. 1st Semester (Batch 2021-23)

**MANAGEMENT ACCOUNTING AND CONTROL
SYSTEMS**

Paper—MC-105

Time Allowed—3 Hours] [Maximum Marks—100

Note :—Attempt **FIVE** questions in all, selecting at least **ONE** question from each section. The **fifth** question may be attempted from any section. All questions carry equal marks.

SECTION—A

1. How is accounting an important Information System ? Discuss in light of various users of accounting information.
2. What is Management Control System ? Explain its nature and scope.

SECTION—B

3. What is Transfer Price ? Explain the various methods of Intra Company Transfer Pricing.
4. Define the term budget. Explain the differences between fixed and flexible budget.

SECTION—C

5. Explain the significance of Variance Analysis in decision making. Classify the various Material and Labour variances and also give reasons for their occurrence.
6. Find out the following from the given information :
- (i) BEP in units and in Rupees.
 - (ii) What would be the number of units and the value of sales, if products are sold to make a profit of Rs. 1,20,000 ?
 - (iii) If the selling price per unit is reduced by Rs. 20, what would be the BEP in units and in Rupees ?

Material per unit	Rs. 50
Labour per unit	Rs. 80
Variable overhead per unit	75% of Labour cost
Selling price per unit	Rs. 250
Total fixed overhead	Rs. 2,40,000

SECTION—D

7. Write a detailed note on various measures of segment performance evaluation.

8. The following information is given :

Current Ratio : 2.5

Liquidity Ratio : 1.5

Net Working Capital : Rs. 3,00,000

Stock Turnover Ratio : 6 times

(Cost of sales/closing stock)

Gross Profit Ratio : 20%

Fixed Assets Turnover Ratio : 2 times

Average debt collection period : 2 months

Fixed Assets : Shareholders Net Worth 1 : 1

Reserves : Share Capital 0.5 : 1

Draw up a Balance Sheet from the above information.