

IMBA in FS (Rep) Sem.-2 Examination

FS-203

Accounting for Management-II

May-2025

Time : 2-00 Hours]

[Max. Marks : 50

Instructions:

- **Figures to the right indicate Full Marks.**
- **Do not write anything on the question paper.**
- **Simple calculator is allowed. Do not use a scientific calculator.**

Q.1 A	What is the role of management accounting in supporting internal decision-making within an organization?	14												
Q.1 B	OR What are the main objectives of management accounting? Explain.	14												
Q.2 A	Sales – 900,000 \$ Variable Cost - 60 % of Sales Profit – 300,000 \$, Sale Price per unit – 10 \$ Required: -Prepare statement of Profit showing Sales, V.C, Contribution, Fixed cost and Profit, -Calculate Beak Even Point (in Sales and Units)	14												
Q.2 B	OR What is marginal costing? Explain the concept of contribution in marginal costing.	14												
Q.3 A	The standard and actual figures of product 'X' are as under: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th></th> <th>Standard</th> <th>Actual</th> </tr> </thead> <tbody> <tr> <td>Material quantity</td> <td>200 units</td> <td>100 units</td> </tr> <tr> <td>Material price per unit</td> <td>2</td> <td>1.5</td> </tr> </tbody> </table> Calculate: (a) Material Cost Variance (b) Material Price Variance(c) Material Usage Variance		Standard	Actual	Material quantity	200 units	100 units	Material price per unit	2	1.5	14			
	Standard	Actual												
Material quantity	200 units	100 units												
Material price per unit	2	1.5												
Q.3 B	OR A company has the following standard and actual labour cost data for a different job: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Description</th> <th>Standard</th> <th>Actual</th> </tr> </thead> <tbody> <tr> <td>Standard time for the job</td> <td>1,200 hours</td> <td>1,050 hours</td> </tr> <tr> <td>Standard rate per hour</td> <td>55</td> <td>-</td> </tr> <tr> <td>Actual wages paid</td> <td>-</td> <td>52,500</td> </tr> </tbody> </table> Required: Calculate the following variances: (a) Labour Cost Variance (b) Labour Rate Variance (c) Labour Efficiency Variance	Description	Standard	Actual	Standard time for the job	1,200 hours	1,050 hours	Standard rate per hour	55	-	Actual wages paid	-	52,500	14
Description	Standard	Actual												
Standard time for the job	1,200 hours	1,050 hours												
Standard rate per hour	55	-												
Actual wages paid	-	52,500												
Q.4 A	A manufacturing company operates at 60% capacity, utilizing 6,000 machine hours. The company incurs the following expenses: Variable expenses: ₹1,500	14												

	<p>Semi-variable expenses: ₹1,300 Fixed expenses: ₹2,000 Semi-variable expenses increase by 12% when activity reaches between 85% and 95% and by 18% beyond 95% activity. Requirement: Prepare a flexible budget for 80%, 90%, and 100% activity levels.</p> <p style="text-align: center;"><u>OR</u></p>	
Q.4 B	<p>Explain the key characteristics of a budget and how it helps in forecasting expenses and revenues.</p>	14
Q.5	<p><u>One Liner Questions (Answer any 5 out of 7)</u> <u>Explain the below term. Two Marks Each.</u></p> <ol style="list-style-type: none"> 1. Financial Accounting 2. Cost Accounting 3. Management Accounting 4. Idle Time 5. Semi-Variable Cost 6. Break Even Point 7. Contribution Margin 8. Flexible Budget 9. Fixed Budget 	14