

B-358-03-02

M.Com. (Regular) DEGREE EXAMINATION — NOVEMBER/DECEMBER 2018
THIRD SEMESTER

Paper II — ACCOUNTING FOR MANAGERIAL DECISIONS
(Under CBCS & Non-CBCS Revised Syllabus w.e.f. 2017–2018)

Time : 3 hours

Max. Marks : 80

SECTION - A

Answer any FIVE. Each question carries 4 marks.

(Marks : $5 \times 4 = 20$)

1. ~~(a)~~ Functions of Managerial Accounting.
- (b) Target Pricing.
- (c) Profit centre.
- (d) Determination of sales mix.
- (e) Managerial uses of Responsibility accounting.
- (f) Shut down or continue decision.
- ~~(g)~~ What are limitations of Market-Based Transfer pricing?
- (h) Multinational Transfer Pricing.
- ~~(i)~~ Investment centre.
- ~~(j)~~ Objectives of pricing.

SECTION - B

Answer ALL questions. Each question carries 12 marks.

(Marks : $5 \times 12 = 60$)

2. ~~(a)~~ Define the term Managerial Accounting? Discuss the nature and scope of Managerial Accounting. How does it differ from Financial Accounting?

Or

- (b) The existing cost structure of an article, the selling price of which is Rs. 600, is as follows :
Direct material : 50% of the total cost.
Direct Labour : $33\frac{1}{3}\%$ of the prime cost.
Overhead : Balance of the total cost.

[P.T.O.]

Due to anticipated increase in existing material price by 25% and in the existing, labour rate by 10%, the existing profit would down by 30% if the selling price remains unchanged. A tender for the supply of labour article is to be placed.

Prepare :

- (i) present statement of profit per article and
- (ii) suggest the tender price so that
 - (1) the same percentage of profit on cost as at present had to be earned and
 - (2) the same amount of profit as at present had to be earned.

3. (a) What do you mean by differential analysis. Explain the concept of differential revenue and differential costs?

Or

- (b) A factory is currently working at 50% capacity and produces 10,000 units of product P, the unit cost of which is Rs. 180 comprised as follows :

Rs.	
Direct Material	100
Direct Labour	30
Factory Overhead	30 (40% Fixed)
Administrative overhead	20 (50% Fixed)

The selling price per unit is Rs. 200

If the capacity is increased to 60%, the raw material cost will increased by 2% and selling price falls by 2%. At 80% capacity, raw material cost increased by 5% and selling price falls by 5%.

Required : Work out the total costs and profit for the three capacity levels and prepare a brief note for the management on the profitability of three levels of performance with your recommendation.

4. (a) What is mean by Responsibility Centre? How is it classified? How for are those centres helpful to the Management?

Or

- (b) Explain the significance and problems of Responsibility Accounting.

5. (a) Explain a dual transfer price. What are the advantages and disadvantages of using such a pricing system?

Or

- (b) ABC Ltd. has three divisions A, B and C. The operating results of the three divisions are as follows :

	Divisions		
	A	B	C
	Rs.	Rs.	Rs.
Sales	5,00,000	5,00,000	10,00,000
Less: cost	4,00,000	3,00,000	6,00,000
Profit	1,00,000	2,00,000	4,00,000
Investment	3,00,000	5,00,000	15,00,000

- (i) You are required to determine ROI of the three divisions on the basis of their performance.
- (ii) Determine residual income (RI) of the three divisions and rank them assuming cost of capital is 15%

6. (a) What do you understand by the term 'Reporting to Management'? What are the general principles to be observed while preparing reports?

Or

- (b) What are external reports and internal reports? Describe the uses from these reports.

M.Com. (Regular) DEGREE EXAMINATION — NOVEMBER/DECEMBER, 2018.

THIRD SEMESTER

Paper- 303: COMPUTER APPLICATION IN BUSINESS

(Under CBCS and Non-CBCS Revised Syllabus w.e.f. 2018-2019)

Time : 3 hours

Max. Marks : 60

SECTION - A

Answer any FIVE of the following. Each question carries 2 marks.

(Marks : $5 \times 2 = 10$)

1. (a) Contents of company creation.
- (b) What is meant by inventory report?
- (c) Composition tax payer.
- (d) Input tax credit.
- (e) GSTR-2
- (f) Invoice under GST.
- (g) TDS
- (h) Advance tax entry in Tally
- (i) Types of pay rolls
- (j) Creation of pay head ledgers.

SECTION - B

Answer ALL the questions. Each question carries 10 marks.

(Marks : $5 \times 10 = 50$)

2. (a) Discuss the features of Tally accounting.

Or

- (b) What are the different types of vouchers? How the creation and alteration of vouchers is made?

3. (a) What is meant by GST? Explain the GST registration process.

Or

- (b) What are the various types of invoice under GST? Explain the input tax credit mechanism.

4. (a) Discuss the process of transfer of input tax credit to GST.

Or

(b) State the process of recording intra-state supply of goods.

5. (a) Describe the process of recording advance and balance payment of tax in Tally.

Or

(b) What are the different TDS reports? Explain the process of generating reports.

6. (a) Define pay heads. Explain the payroll features.

Or

(b) Outline the process of creation of employee master and pay roll vouchers.
