Bc/BC/C23

2026

(FYUGP)

(8th Semester)

COMMERCE

(MAJOR)

Paper : BC/C23

(Accounting for Managerial Decisions)

Full Marks : 75

Pass Marks : 40%

Time : 3 hours

The figures in the margin indicate full marks for the questions.

1. *(a)* Discuss in detail the functions of management accounting. Explain the nature and scope of management accounting. 7+8=15

Or

(b) Explain the points of distinction between management accounting and financial accounting. 15

2. *(a)* "Responsibility centres are the building blocks of responsibility accounting." Define responsibility centres and distinguish among cost centres, profit centres and investment centres. 5+10=15

Or

(b) Define social responsibility accounting. What are its primary objectives? Discuss the various methods of presenting social responsibility accounting reports. 2+6+7=15

3. *(a)* What do you mean by zero-based budgeting? How is it different from traditional budgeting? Write in brief its advantages and limitations. 2+6+7=15

Or

(b) A company working at 50% capacity, manufacture 10000 units of a product. At 50% capacity, the product cost is ₹ 180 and sale price is ₹ 200. The break-up of the cost is as below :

	Cost per unit (₹)
Material	100
Wages	30
Factory overhead	30 (40% fixed)
Administration overhead	20 (50% fixed)

At 60% capacity, the raw material cost goes up by 2% and sales price falls by 2%. At 80% capacity, the raw material cost increased by 5% and sale price decreased by same percentage, i.e., 5%.

Prepare a statement to show profitability at 60% and 80% capacity. 15

4. *(a)* Explain briefly the advantages and limitations of standard costing as a technique of cost control. 15

Or

(b) From the data given below, calculate the Material Price Variance, Material Usage Variance and Material Mixture Variance : 5×3=15

Consumption per 100 units of product		
Material	*Standard*	*Actual*
A	40 units @ ₹ 50 per unit	50 units @ ₹ 50 per unit
B	60 units @ ₹ 40 per unit	60 units @ ₹ 45 per unit

5. *(a)* What do you understand by reporting to management? What are the essential features of a good report? 5+10=15

Or

(b) Explain the objectives of management accounting. Explain the difference between financial audit and management audit. 5+10=15

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