

**2 0 1 7**

( 4th Semester )

**COMMERCE**

Paper No. : BC-403

**( Accounting for Managerial Decision )**

( PART : A—OBJECTIVE )

( Marks : 25 )

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

1. Choose the correct answer and place its code in the brackets provided : 1×5=5

(a) Financial Accounting records only

(i) qualitative information

(ii) quantitative information

(iii) both qualitative and quantitative informations

(iv) None of the above ( )

(b) The term 'Management Accounting' was first used in the year

(i) 1930

(ii) 1950

(iii) 1952

(iv) None of the above

( )

(c) The Break-even Point is the point at which

(i) there is no profit or loss

(ii) contribution margin is equal to total fixed cost

(iii) total revenue is equal to total cost

(iv) All of the above

( )

(d) Horizontal analysis is also known as

(i) static analysis

(ii) dynamic analysis

(iii) cross-sectional analysis

(iv) None of the above

( )

(e) Special reports may deal with

(i) technological changes in the industry

(ii) purchase of raw materials

(iii) reports on production

(iv) None of the above

( )

2. Fill in the blanks :

1x

(a) The purpose of using accounting information

is to increase ..... of the concern.

(b) The total of direct material, labour and other direct

cost is termed as ..... cost.

(c) Profit-volume graph is a ..... representation of the profit-volume relationship.

(d) Cashflow Statement is useful for .....

..... financial planning.

(e) The cost of producing one additional unit of

product is called ..... cost.

( 4 )

3. State whether the following statements are *True (T)* or *False (F)* by putting a Tick (✓) mark : 1×5=5

(a) Management Accounting is an alternative to administration.

( T / F )

(b) Contribution helps the management in fixation of selling prices.

( T / F )

(c) Analysis of financial statements does not ignore price level changes.

( T / F )

(d) Debt-equity ratio measures short-term financial position of the business.

( T / F )

(e) Visual reporting through graph, charts and diagrams should be preferred to descriptive reports.

( T / F )

( 5 )

4. Write on the following in 4 to 5 sentences each :  
2×5=10

(a) Characteristics of Financial Accounting

(b) Comparative income statements

(a) Characteristics of Financial Accounting  
of accounts as in continuous interval  
notations

Contribution to management of each individual  
of selling price

Analysis of financial statements does  
price level of cost

Debt-equity ratio measures short-term financial  
position of the business.

Visual reporting through graphs, charts and  
diagrams should be preferred to descriptive

( 7 )

(c) Make or buy decisions

( 8 )

(d) Types of leverages (c) Make or buy decisions



(e) Routine reports