

M.Com. Part-I Examination, 2020 (DDE)
Subject: Commerce
Paper: 6
(Accounting for Managerial Decisions)

Time: 2 Hours

Full Marks: 40

The figures in the margin indicate full marks.
Candidates are required to give their answers in their own words
as far as possible

Answer any four questions

10x4=40

1. “All decisions are imperfect and only intendedly rational”. Discuss the implication of this statement in the context of the decision making process.
2. a) Distinguish between Marginal costing and Absorption Costing.
b) “Changes in fixed costs are much more significant to a company than changes in variable costs”. Discuss. 5+5
3. Write short notes on:
a) Opportunity cost
b) Operate or shut down decision 5+5
4. a) State the merits and demerits of residual income method.
b) Write a short note on EVA. 5+5
5. Write a note on Zero Base Budgeting
6. a) What are the prerequisites for introducing Responsibility Accounting.
b) What are its advantages? 5+5