

Printed Pages : 5



MB204

(Following Paper ID and Roll No. to be filled in your Answer Book)

PAPER ID : 270235

Roll No.

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MBA

(SEM. II) THEORY EXAMINATION, 2014-15
MANAGEMENT ACCOUNTING AND CONTROL

Time : 3 Hours]

[Total Marks : 100

Note : Attempt questions from all sections as directed.

SECTION - A

1. Answer any four questions. **4x5=20**

All questions carry equal marks.

- (a) Give the points of comparison between management accounting & cost accounting.
- (b) Define machine hour rate. How it is calculated.
- (c) Define marginal costing and how it differs from absorption.
- (d) What is activity based costing and target costing?

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[Contd...

- (e) What do understand by cost and its types?

SECTION - B

2 Attempt any three of the following $3 \times 10 = 30$
questions :

- (a) "Management accounting is concerned with accounting information which is useful to management." Explain.
- (b) Explain the causes of difference between costing profit and financial profit. Give specimen of reconciliation statement.
- (c) Explain the term transfer pricing. Discuss the various methods of transfer pricing.
- (d) What is life-cycle costing? Describe its characteristics and benefits.
- (e) What do you mean by overhead variance? Discuss it types of overhead variance.

SECTION - C

Answer the following questions : $5 \times 10 = 50$

- 3** Explain the term 'budgetary control? Discuss the objectives & advantages of budgetary control.

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What do you mean by cost-volume profit analysis? Discuss the utility of determining cost- volume profit relationship.

- 4 Explain the methods of costing and its objectives of cost accounting

OR

Explain the importance of cost accounting as tool of management decision making

- 5 What is the significance of the term variance relating to standard costing? What type of variance is computed for (a) material (b) labour.

OR

“Responsibility accounting is not only a control device but also helpful in decision making”.
Comment.

- 6 What is target costing? What are the stages involved in target costing?

OR

What are the types of responsibility centre?
Discuss its significance in performance measurement.

- 7 Prepare cash budget for three month ending 30 April 2014. Budget figures are.

	Jan	Feb	March	April
Purchases	50,000	40,000	30,000	40,000
Wages	40,000	50,000	40,000	40,000
Variable Expenses	4,000	5,000	4,000	4,000
Sales	60,000	70,000	80,000	80,000

Other information-

- Sales 20% cash and remaining will be collected after 1 month
- Purchase is made to one month credit.
- Plant purchase for 10000 to be made in April 2014
- Opening balance of cash as on 1 Feb 125000
- Delay in payment of wages half month.

OR

The following data are available in a Jain company for a year ended 31st Dec 2014 (5000 Unit produced at 50% capacity).

Fixed Expenses	
Salaries & wages	4000
Rent and taxes	3000
Depreciation	3000
Semi – Variable Expenses (at 50% capacity)	
Repair & Maintenance (50% fixed)	6000
Indirect Wages (40% fixed)	4000
Selling exp (20% fixed)	3000
Variable Expenses (at 50% of capacity)	
Materials	22000
Wages	20000
Variable expenses	5000

Prepare flexible budget for the year and forecast total cost and profit at 60%, 75% and 100% of capacity. Sales at 60% capacity are Rs 1,00,000, at 75% capacity are Rs1,35,000 and at 100% capacity Rs 1,50,000.