

**MASTER OF BUSINESS ADMINISTRATION
(MBAEV)**

Term-End Examination

June, 2013

MCN-048 : MANAGEMENT ACCOUNTING

Time : 3 hours

Maximum Marks : 100

Note : Attempt any five questions.

1. Define Management Accounting and discuss the functions and quality of a Management Accountant. 20
2. Define and explain the terms 'Joint Product' and 'by-product'. Discuss the treatment of joint product and by-product in process costing. 20
3. What is work-in progress and how is it calculated in the contract account ? Explain how this account will be shown in the Balance Sheet. 20
4. Define Cost Audit. Discuss the advantages and disadvantages of cost audit. 20
5. The ratio of variable costs to sales is given to be 60%. The break-even point occurs at 80% of sales. Find the sales when the fixed costs are Rs. 2,00,000. Determine the profit at 90% and 100% of sales. 20

6. From the following information, calculate material variances. 20

Material				
	Standard	Rs.	Actuals	Rs.
Silver	120 kg @ Rs. 5	600	112 @ Rs. 4.50	504
Brass	80 kg @ Rs. 10	<u>800</u>	88 @ Rs. 11.00	968
	200 kg	1400	200 kg	<u>1472</u>
- loss	40 kg	-	50 kg	
output	<u>160 kg</u>	<u>1400</u>	<u>150 kg</u>	

7. Explain the term 'Budget' as used in the business. 20
How is it different from budgeting? Discuss the essentials of an effective budgeting system.
8. Write short notes on the following : 10+10
- (a) Transfer Pricing
- (b) Cost plus pricing
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