

00438

**MASTER OF BUSINESS ADMINISTRATION  
(FULL TIME PROGRAMME) (MBACN)**

**Term-End Examination**

**December, 2011**

**MCN-007 : COST AND MANAGEMENT  
ACCOUNTING**

*Time : 3 hours*

*Maximum Marks : 100*

**Note :** *Attempt any five questions.*

1. Differentiate between Financial Accounting, Cost Accounting and Management Accounting. **20**
2. Write short note on the following : **5+5+5+5**
  - (a) Maximum level
  - (b) Re- order level
  - (c) ABC Analysis
  - (d) EOQ
3. Discuss the causes of differences between costing profit and financial profit. How are two profits reconciled ? **20**
4. Define and explain 'Joint Product and 'By - product'. Explain in brief the various accounting methods of By - Product. **20**
5. Discuss the following : **10+10**
  - (a) Zero Base Budgeting
  - (b) Performance Budgeting

6. From the following information, calculate. 5+5+5+5
- Material price variance
  - Material usage variance
  - Material mix variance
  - Material yield variance

Material Standards	Rs.	Actual	Rs.
A 120 kg @ Rs. 5	600	112 kg @ Rs. 5	560
B <u>80 kg @ Rs. 10</u>	<u>800</u>	<u>88 kg @ Rs. 10</u>	<u>880</u>
200 kg	1400	200 kg	1440
Loss <u>60 kg</u>		<u>50 kg</u>	
Out put <u>140</u>		<u>150</u>	

7. The following figures are presented before you :

Year	Sales	Profit/Loss	7+7+6
2010	Rs. 1,00,000	Rs. 10,000 (loss)	
2011	Rs. 4,00,000	Rs. 50,000 (profit)	

Calculate the (i) p/v ratio, (ii) BEP (iii) % age of variable costs to sales.

8. Define Responsibility Accounting. Discuss its merits and limitations. 20