

**MASTER OF BUSINESS ADMINISTRATION
(SCMFL)**

**Term-End Examination
December, 2011**

MCQ-004 : MANAGEMENT ACCOUNTING

Time : 3 hours

Maximum Marks : 100

Note : Attempt any five questions.

1. What do you mean by Cost Accounting? Discuss the advantages and essentials of a good cost accounting system. 20
2. Define 'Management Accounting'. Discuss the functions and techniques of Management Accounting. 20
3. What is the significance of budgetary control in the accounting for cost? Discuss the steps to be considered for installing a budgetary control system. 20

4. Calculate Material Price Variance, Material Usage Variance, Material Mix Variance and Material Yield Variance from the following information. 20

Materials	Standards		Actuals	
	Qty.	Price	Qty.	Price
A	100	20	215	18
B	200	17	385	20
	300		600	
Less loss 10%	30		60	
Output	270		540	

5. Explain the uses of following in relation to marginal costing. 20
- Break - even point
 - P/V ratio
 - Margin of safety and
 - Angle of incidence.
6. Write notes on the following : 10+10
- Comparative statement
 - Common size statement
7. Define the concept of working capital. Describe its importance and components in detail. 20
8. (a) Explain the essentials of effective reporting.
 (b) Discuss the liquidity ratios. 10+10