

MBAEV

Term-End Examination

June, 2012

MCN-048 : MANAGEMENT ACCOUNTING

Time : 3 hours

Maximum Marks : 100

Note : Attempt any five questions.

All questions carry equal marks.

1. Explain the essentials of a Good Costing System for a manufacturing concern. 20
2. What are overheads ? Explain the process of allocation and apportionment of overheads. 20
3. Explain the usefulness of marginal costing in Decision making. 20
4. What is meant by Budgetary Control ? What are the essentials of effective budgetary control ? 20
5. What is variance analysis ? How it is used for cost control ? 20
6. Explain the various methods of divisional performance analysis. 20

7. There are two similar plants under the same management. The management desires to merge these two plants. The following particulars are available : 20

	<i>Factory I</i>	<i>Factory II</i>
Capacity	100%	60%
Sales	Rs. 300 lakhs	Rs. 120 lakhs
Variable costs	220	90
Fixed costs	40	20

You are required to calculate (a) what the break -even capacity of the merged plant would be, and (b) what the profitability on working at 75% of the merged capacity would be ?

8. Explain the following : 20
- (a) Contribution
 - (b) Absorption Costing
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