

MASTER OF BUSINESS ADMINISTRATION  
(MBACN)

Term-End Examination

June, 2013

MCN-007 : COST AND MANAGEMENT  
ACCOUNTING

Time : 3 hours

Maximum Marks : 100

*Note : Attempt any five questions. All questions carry equal marks.*

1. Distinguish between cost and management accounting by giving examples. 20
2. What is the usefulness of marginal costing in decision making ? Explain. 20
3. Explain what are the different methods of allocation of overheads. 20
4. Write notes on the following : 20
  - (a) Profit-Volume Ratio
  - (b) Variance analysis

5. Distinguish between job costing and Batch Costing giving relevant examples. 20
6. Write notes on the following : 20
- (a) Social reporting
- (b) Profit centre
7. Explain the process of accounting for price level changes. 20
8. There are two similar plants under the same management. The management desires to merge these two plants. The following particulars are available :

	<b>Factory I</b>	<b>Factory II</b>
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 ?