

Exam. Code : 217601

Subject Code : 6438

M.Com. Ist Semester

**MANAGEMENT ACCOUNTING AND
CONTROL SYSTEMS**

Paper—MC-105

Time Allowed—Three Hours] [Maximum Marks—100

SECTION—A

Note :— Attempt any **TEN** questions. Each carries **2** marks.

(Marks : 10×2)

1. Write notes on the following :

- (i) Principle of Materiality
- (ii) Annual Report
- (iii) Goal Congruence
- (iv) Transfer Price
- (v) Investment Centre
- (vi) Zero Based Budgeting
- (vii) Material Cost Variance and its components
- (viii) Marginal Costing
- (ix) Economic Value added

- (x) Net Worth Ratio
- (xi) Target Costing
- (xii) Modes of Reporting.

SECTION—B

Note :—Attempt any **TWO** questions. Each carries **20** marks. **(Marks : 20×2)**

2. “Accounting is an important management information system.” Discuss this statement in light of the users of the accounting information.
3. Outline the differences between Management control, Strategic planning and Operational control along with relevant examples.
4. Explain the concept of Responsibility Accounting. Discuss the various types of Responsibility centres. Out of the profit centre and the investment centre, which according to you is a better measure of performance and why ?
5. Write notes on :
 - (i) Difference between Fixed Budget and Flexible Budget. 10
 - (ii) Difference between Performance Budgeting and Participative Budgeting. 10

SECTION—C

Note :— Attempt any **TWO** questions. Each carries
20 marks. (Marks : 20×2)

6. What is variance analysis ? Discuss the various labour variances and give reasons for their occurrence.
7. Discuss the traditional and modern measures of segment performance evaluation.
8. Using the following ratios regarding Adlabs films, draw the Balance Sheet of the company for the year 2015 :

Current Ratio = 2.5

Liquidity Ratio = 1.5

Net Working Capital = Rs. 3,00,000

Stock Turnover Ratio

(Cost of Sales/ Closing Stock) = 6 times

Gross Profit Ratio = 20 Percent

Fixed Assets Turnover Ratio

(on Cost of Sales) = 2 times

Debt Collection Period = 2 Months

Fixed Assets to shareholders net worth = 0.80

Reserves and Surplus to capital = 0.50

9. Why is reporting essential in an organization ? Discuss the elements of a good organizational report.