

M.Com. 1st Semester

**MANAGEMENT ACCOUNTING AND
CONTROL SYSTEMS**

Paper—MC-105

Time Allowed—3 Hours] [Maximum Marks—100

Note :— Attempt *five* questions, selecting at least *one* question from each section. The **fifth** question may be attempted from any Section. Each question carries **20** marks.

SECTION—A

1. Highlight the relationship and differences between Management Control, Strategic Planning and Operational Control.
2. Explain the role of Accounting as a Management Information System. Who are the users of Accounting Information ?

SECTION—B

3. Describe the Budgeting Process. How is a flexible budget different from a fixed budget ?
4. Explain in detail the various forms of Organizational Structure and how are they relevant in Management Control Systems ?

SECTION—C

5. Find out the following from the given information :
- (i) BEP in units and in Rupees.
 - (ii) What would be the number of units and the value of sales, if products are sold to make a profit of Rs. 1,20,000 ?
 - (iii) If the selling price per unit is reduced by Rs. 20, what would be the BEP in units and in Rupees ?

Material per unit	Rs. 50
Labour per unit	Rs. 80
Variable overhead per unit	75% of Labour Cost
Selling price per unit	Rs. 250
Total fixed overhead	Rs. 2,40,000

6. What is the importance of a variance analysis ? Explain the reasons for material and labour variances.

SECTION—D

7. Why is reporting essential in an organization ? Discuss the elements of a good organizational report.
8. What is Ratio Analysis ? Explain the various liquidity and activity ratios used by an organization to analyze the Financial Statements of an organization.