

Roll No.

Subject Code—2139

M. Com. (Part I) EXAMINATION

MC-105

MANAGEMENT ACCOUNTING

Time : 3 Hours

Maximum Marks : 100

Note : Attempt *Five* questions in all. Q. No. 1 is compulsory. All questions carry equal marks.

1. Define the following :

- (a) Financial Accounting
- (b) Financial Statements
- (c) Funds from Operations
- (d) Marginal Cost
- (e) Standard Costing
- (f) Fixed Budget
- (g) Social Accounting

(1-10-6-09)

- (h) Brand Accounting
- (i) Economic Value Added
- (j) Limiting Factor.

2. "The subject of management accounting is very important and useful for optimum utilization of resources. It is an indispensable discipline for corporate management." Elucidate.
3. Describe the various ratios that are likely to help the management of a manufacturing unit in forming an opinion on the solvency position of business.
4. What is the purpose of preparing a Cash Flow Statement ? How is it prepared ? Explain and illustrate.
5. "The effect of a price reduction is always to reduce the P/V ratio to raise the break-even point and shorten the margin of safety." Explain and illustrate by a numerical example.

6. What is Flexible Budget ? How is it drawn up and what difficulties would you expect to face in its compilation ? Is flexible budget useful to management ?
7. Discuss the arguments for and against the inclusion of human assets in external reporting.
8. Explain the general principles of reporting. Also discuss the various computerised methods of reporting.