

FACULTY OF MANAGEMENT
M.B.A. III Semester Examination, Dec. 2012/Jan. 2013
STRATEGIC MANAGEMENT ACCOUNTING
Course No. 3.4.2. (F)
Elective – II (Finance)
Minor – I Area

Time: 3 Hours]

[Max. Marks: 80

Note: Answer *all* the questions.**SECTION – A****(10×2=20 Marks)**

1. Write short notes on :
- Management Control System.
 - Variable Costs
 - Standard Costing
 - Performance Budgeting
 - Transfer Pricing
 - Performance Report
 - Customer Costs
 - Cost Drivers
 - Competitive Pricing
 - Target Costing.

SECTION – B**(5×12=60 Marks)**Answer **all** the questions :

2. a) Discuss about the nature, scope and importance of Strategic Management Accounting.

OR

- b) From the following data, find out (i) Sales and (ii) New Break Even Sales, if selling price is reduced by 10%.

Fixed Cost	Rs. 4,000
Break-even sales	Rs. 20,000
Profit	Rs. 1,000
Selling price per unit	Rs. 20

3. a) Do you support the concept of zero based budgeting ? Outline its advantages and disadvantages.

OR

- b) The total costs of manufacturing a component part are as under :

Material	Rs.250
Labour	Rs.100
Variable expenses	Rs.50
Fixed expenses	Rs.100
	Rs.500

The same component Part is available in the market at Rs. 450, should the firm make it or buy it ?

4. a) What is a responsibility centre ? What are the types of responsibility centres ?

OR

- b) The expenses for budgeted production of 10,000 units in a factory are furnished below :

	Per Unit (Rs.)
Materials	70
Labor	25
Variables overhead	20
Fixed overhead (10,000)	10
Variable expenses (direct)	5
Selling expenses (10% fixed)	13
Distribution expenses (20% fixed)	7
Administration expenses (Rs. 50,000)	5
Total cost per unit	155

Prepare a budget for production of 8000 units and 6000 units. Assume the administration expenses are fixed for all levels of production.

5. a) What do you understand by CAP analysis ? Discuss its need and importance.

OR

- b) Discuss about Activity Based Costing Vs. Traditional Costing.

6. a) What is Competitor Accounting ? Evaluate the importance of Competitor Accounting.

OR

- b) Outline the process involved in the assessment of product life cycle costing.



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FACULTY OF MANAGEMENT
M.B.A. III Semester (New) Examination, December 2012/January 2013
INTERNATIONAL FINANCE
Course No. 3.4.3. (F) : Elective – III (Finance) (Minor – II Area)

Time: 3 Hours]

[Max. Marks: 80

SECTION – A

1. Write short notes on : **(10×2=20 Marks)**

- a) GDRs
- b) Sterilized intervention
- c) Distinguish between Balance of trade and Balance in current account
- d) Purchasing power parity
- e) Strategic Alliance
- f) Foreign Direct Investment
- g) Political risk in the context of international Investment.
- h) Interest rate exposure in the context of International Investment.
- i) Tobin tax
- j) Tax havens.

SECTION – B

(5×12=60 Marks)

2. a) Explain the factors that led to the development of Euro currency market.
Present the advantages and disadvantages in the development of Euro currency market.

OR

- b) Bring out the objectives behind the establishment of International monetary fund and critically evaluate its performance.

(This paper contains 2 pages)



Code No. : 9024

3. a) Discuss the structure and operation of foreign exchange market in India.

OR

b) Explain the concepts and the advantages and disadvantages in

- i) Current Account Convertibility and
- ii) Capital Account Convertibility.

4. a) Explain the theories on Foreign Direct Investment.

OR

b) Discuss various foreign investment modes with pros and cons of each mode.

5. a) Explain the term economic exposure and bring out the methods to measure economic exposure.

OR

b) Explain the term hedging and explain various ways for money market hedging.

6. a) Define the term transfer pricing. Explain various Transfer Pricing Techniques.

OR

b) Explain the following :

- i) Multi lateral tax treaties
- ii) Taxes and location of foreign operations.
