

**FACULTY OF MANAGEMENT****M.B.A. III-Semester Examination, December 2015****Subject: Strategic Management Accounting****Course No : 3.4.2 (F)****Elective – II – Finance****Time : 3 Hours****Max. Marks: 80****Note: Answer ALL the questions.****Part – A (10x2=20 Marks)**  
**(Short Answer Type)**

- 1 Write short notes on the following.
- What is Strategic Management Accounting?
  - State steps in decision making process.
  - What are Key factors?
  - What is Budget and Budgeting control?
  - ZBB
  - What is profit centre?
  - What is Activity Based Costing?
  - What are customer costs?
  - State stages in PLC.
  - What is Target costing?

**Part – B (5x12=60 Marks)**  
**(Essay Answer Type)**

- 2 (a) Distinguishing between Strategic Management Accounting and Management Control system.

**OR**

- (b) From the following details, find out :
- Contribution per unit
  - BEP
  - Margin of safety
  - Profit and
  - Volume of sales to earn a profit of Rs.24,000.
- Fixed cost Rs. 18,000; Variable cost Rs. 30,000 ; Sales Rs. 60,000 ; units sold 20000

- 3 (a) Discuss the advantages and limitations of standard costing system in a manufacturing organization.

**OR**

- (b) From the following data, find out material cost, price, usage, mix and yield variances.

Materials	Standard			Actual		
	Units	Price	Value	Units	Price	Value
A	70	10	700	400	11	4400
B	30	5	150	200	6	1200
	100		850	600		5600
(-) Loss	15			60		
Net output	85			540		

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- 4 (a) Discuss the need for divisionalization and state the salient features of Responsibility Accounting System.

**OR**

- (b) A company having two divisions provided you the following information:

Particulars	Division-X	Division-Y
Investment	Rs. 5 lakhs	Rs. 10 lakhs
Sales	Rs.10 lakhs	Rs. 20 lakhs
Variable cost	30%	40%
Direct Operating Fixed cost :		
Controllable	Rs. 1.5 lakhs	Rs. 3.00 lakhs
Uncontrollable	Rs.0.50 lakhs	Rs. 1.00 lakhs
Indirect Operating Fixed cost (Un-controllable)	Rs.3.00	Rs. 5.50 lakhs

Analyse the divisional performance using different criteria and assume a minimum ROI of 15%.

- 5 (a) Examine the relative merits and demerits of Activity Based Costing when compared with traditional costing.

**OR**

- (b) Discuss the meaning and need for CAP analysis.

- 6 (a) Explain the pricing strategies in different stages of Product Life Cycle with suitable examples.

**OR**

- (b) Explain the important sources of competitor information.

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**FACULTY OF MANAGEMENT****M.B.A. III-Semester Examination, December 2015****Subject: International Finance****Course No : 3.4.3. (Finance)****Elective – III (Finance)****Time : 3 Hours****Max. Marks: 80****Note: Answer ALL the questions.****Part – A (10x2=20 Marks)**  
**(Short Answer Type)**

- 1 Write short notes on the following.
  - (a) International Financial Environment
  - (b) Floating Exchange rate
  - (c) Functions of IMF
  - (d) Spot and Forward market
  - (e) Capital Account convertibility
  - (f) Motives for FDI
  - (g) Leading and Lagging
  - (h) Transaction exposure
  - (i) Capital gains Tax
  - (j) Tax mentality

**Part – B (5x12=60 Marks)**  
**(Essay Answer Type)**

- 2 (a) Discuss the vital aspects in Gold standard and Bretonwoods Agreement.  
**OR**  
(b) Explain the types of financial instruments in the Eurocurrency market.
- 3 (a) Describe the structure of foreign exchange markets in India.  
**OR**  
(b) Discuss the significant theories in relation to foreign exchange management.
- 4 (a) Discuss different modes of foreign investment.  
**OR**  
(b) Discuss the cash management and receivables management methods of MNCs.
- 5 (a) Describe the types of exchange rate. How do multinational corporations manage the risks.  
**OR**  
(b) Discuss the hedging strategies for minimizing the foreign exchange risk.
- 6 (a) Describe the methods by which arm's length price is calculated.  
**OR**  
(b) How do MNCs undertake tax planning?

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