M.B.A. III Semester Supplementary Examinations Aug / Sept 2022

Cost and Management Accounting

Max. Marks: 60   Time: 3 Hours

Answer *all five* units by choosing one question from each unit (5 x 12 = 60 Marks)

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		Marks	CO	Blooms Level
	UNIT–I			
1.	Cost Accounting is an aid to management. Explain the statement.	12M	1	3
	OR			
2.	Differentiate between Cost Accounting and management Accounting.	12M	1	3
	UNIT–II			
3.	What are the features of job costing? Explain the procedure of recording cost under job order costing.	12M	2	3
	OR			
4.	600 kg of material was charged to process 1 @4 per kg. The direct labour accounted for Rs 200 and other departmental expenses amounted for Rs 760. The normal loss is 10% of input entered and the net production was 500kg.Assuming that process scrap is salable at Rs 2 per kg. Prepare ledger accounts of process 1 clearly showing the values of normal and abnormal loss.	12M	2	4
	UNIT–III			
5.	Explain about the functions of cost centers and profit centers.	12M	3	4
	OR			
6.	What is Transfer pricing? Explain the objectives of Transfer pricing.	12M	3	3
	UNIT–IV			
7.	What is meant by Break-Even analysis? Discuss the assumptions and limitations of Break Even analysis.	12M	4	4
	OR			
8.	The sales and profits during two years were as follows			

Year	Sales(Rs)	Profit(Rs)
2020	1,40,000	15,000
2021	1,60,000	20,000

You are required to calculate

a) P/V Ratio   b) Sales required to earn a profit of Rs 40,000

c) Profit when sales are Rs 1,20,000   12M   4   5

		Marks	CO	Blooms Level
	UNIT–V			
9.	What is standard costing? Differentiate between Budgeting and standard costing?	12M	5	5
	OR			
10.	In a manufacturing concern the standard time fixed for a month is 8000 hours. A standard wage rate of Rs 2.25 per hour has been fixed. During one month 50 workers were employed and average working days in a month are 25. A worker works for 7 hours in a day. Total wage bill of the factory for the month amounts to Rs 21,875. There was a stoppage of work due to power failure for 100 hours. Calculate various labour variances.	12M	5	4

END