

**A12**

**Sreenidhi Institute of Science & Technology**

(An Autonomous Institution)

**Code No:** **3Z318**

**MBA II - YEAR I – SEMESTER MAY 2015 (Supplementary)**

**COST & MANAGEMENT ACCOUNTING**

**Time: 3 Hours Max. Marks: 60**

**Note: No additional answer sheets will be provided.**

**Part – A**

**Max. Marks: 10**

**Answer all the QUESTIONS**

1.Depreciation

2. Material cost variance

3. What is master Budget?

4. What are inter process profits?

5. Management accounting Versus Cost accounting.

6. Define “by-product”

7. What is diversification of products?

8. What is Job costing?

9. What is Profit Planning?

10. What is margin of safety?

**Part – B**

**Max. Marks: 50**

**ANSWER ANY FIVE. ALL QUESTIONS CARRY EQUAL MARKS.**

1. "While Financial Accounting is external; cost accounting is internal to the business". Explain.

2. Discuss various types of marginal costing applications for cost planning & control.

3. ABC. Manufacturing ltd has budget production of 3,00,000 units at a variable cost of Rs.10 each. Fixed costs are Rs.20,00,000. The selling price is fixed to yield of 20% on cost. You are required to calculate

(a). P/V ratio (b) BEP. Production units. (c) Margin of safety.

4. A company budgets to manufacture 1,50,000 units of particular product. The variable cost and fixed cost is Rs.14 and Rs.2 per unit respectively. The company fixes its selling price to fetch a profit of 25% on cost. What is the break-even point in units and in rupees? What is the profit volume ratio?

5. Differentiate cost control from cost reduction and explain various cost controlling techniques used in an organization?

6. What is budget and budgetary control? Explain the essentials of effective Budgeting?

7. Write short notes on any three of the following:

a) Scope of management accounting.

b) Process costing.

c) Cost audit.

d) Budgetary control.

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