

MALLA REDDY ENGINEERING COLLEGE (AUTONOMOUS)

(Affiliated to JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD)

Maisammaguda, Dhulapally, (Post Via kompally), Secunderabad-500 100.

MBA III SEM SUPPLEMENTARY EXAMINATIONS, JANUARY - 2017**SUBJECT: COST AND MANAGEMENT ACCOUNTING****Time: 3 Hours****Max Marks: 60M****5x12=60M****Answer any FIVE questions
All questions carry equal marks**

1. Discuss objectives of cost accounting? Explain its limitations and advantages.
2. Define Job costing. Explain the difference between Job costing and Process costing?
3. From the following information prepare process Account.

Particulars	Process – I	Process – II	Process – III
Raw material introduced	15000 Units	10000 Units	5000 Units
Cost per unit	Rs. 10/-	Rs. 7/-	Rs. 5/-
Direct labour	Rs. 60000	Rs. 20000	Rs. 40000
Over heads	Rs. 10000	Rs. 15000	Rs. 20000

Factory overheads Rs.80000 is allocated on the basis of labour

4. From the following data, calculate:
 - a) BEP expressed in amount of sale in rupees.
 - b) Number of units that must be sold to earn a profit of Rs. 50000 per year.

Sale price Rs. 15 per unit
 Variable manufacturing cost Rs. 10 per unit
 Variable selling costs Rs.2 per unit
 Fixed factory overhead Rs. 500000 per year
 Fixed selling cost Rs. 250000 per year.
5. Define Marginal Costing. Explain various merits and demerits of Marginal Costing?
6. Define budget and budgetary control discuss advantages and limitations of budget?
7. Calculate material mix variance from the data given below.

Material	Standard		Actual	
	Qty	Price	Qty	Price
X	50	2	60	2.25
Y	100	1.20	90	1.75

Due to shortage of material 'X' the use of material 'X' was reduced by 10% and that of material 'Y' increased by 5%.

8. Elucidate the classification of variance analysis.