

MALLA REDDY ENGINEERING COLLEGE (AUTONOMOUS)

(Affiliated to JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD)

Gundlupochampally (H), Maisammaguda (V), Medchal (M), Medchal-Malkajgiri (Dist), Hyderabad.

MBA III Semester Supplementary Examinations, DECEMBER-2017SUBJECT: Cost And Management Accounting

Time: 3 hours

Max. Marks: 60

PART – A

Answer the Question

1 x 20Marks=20 Marks

1. A Television manufacturing company finds that in 2014; the cost to manufacture 200 televisions sets was ₹ 6, 16, 000 which it sold at ₹ 4,000 each. Costs were made up of materials ₹ 2, 00, 000, direct wages ₹ 3, 00, 000 factory overheads expenses were ₹ 60 000 office expenses ₹ 56,000.

For 2015 season it estimate

- That each television will require materials to the value of ₹ 1 000 and wages of ₹ 1500
- That the factory overheads will bear the same relation to direct wages as in the previous year.
- The percentage of office over head expenses on factory cost is the same as in the previous year.

Prepare a detailed statement of projected sales of 400 televisions sets showing the profit it should make per unit if it enhances the price of the television by ₹ 8.

PART-B

Answer any five of the following questions

5 x 8 Marks= 40 Marks

- Explain the role of accounting information in planning and control.
- What is a cost Sheet? Explain the purpose how it is served.
- The following particulars available for two periods:

Particulars	Period-I (in ₹)	Period-II (in ₹)
Sales	2, 00,000	3, 00,000
Profit	60,000	80,000

Calculate: (a) PV Ratio

(b) Break even point

(c) Sales required to earn a profit of ₹ 1, 00, 000

- What is budgetary control? State the main objectives of budgetary control? What are the main steps in budgetary control?
- From the following information, compute different direct material variance

Material	Standards			Actual		
	Qty Kgs	Unit price ₹	Total ₹	Qty Kgs	Unit price ₹	Total ₹
A	10	2	20	5	3	15
B	20	3	60	10	6	60
C	20	6	120	15	5	75
Total	50	4	200	30	5	150

- What is inter firm comparison? What are its types and advantages?
- Define management audit. Explain the objectives