



MBS-010-003206

Seat No. _____

M. B. A. (Sem. II) (CBCS) Examination

April / May - 2018

CCT-10206 : Cost & Management Accounting

Faculty Code : 010

Subject Code : 003206

Time : 3 Hours]

[Total Marks : 70

Instruction : All questions carry **equal** marks.

- 1 What do you mean by a Budget and Budgetary control ?
State the salient features of budgetary control.
- 2 The following figures relate to a company manufacturing a varied range of products :

	Total Cost (Rs.)	Total Sales (Rs.)
Year ending 31 st Dec., 2016	19,83,600	22,23,000
Year ending 31 st Dec., 2017	21,43,200	24,51,000

Assuming stability in prices, with variable costs carefully controlled to reflect predetermined relationship, and an unvarying figure for fixed costs, calculate :

- (a) The profit/volume ratio
- (b) Fixed costs
- (c) Fixed cost % to sales
- (d) Break-even point
- (e) Margin of safety for the year 2016 and the year 2017.

OR

- 2 Enumerate the advantages and limitations of standard costing.

- 3 "Cost accounting has become an essential tool of management". Discuss.

OR

- 3 What is an Activity based costing system ? What are the advantages and disadvantages of it ?
- 4 What is the difference between joint products and by products ? Discuss the most common methods of allocating the joint costs.

OR

- 4 A product passes through three process I, II and III. From the following information prepare the process accounts assuming that there were no opening or closing stocks.

Particulars	Process I	Process II	Process III
Materials	1,000	1,500	500
Labour	5,000	8,000	6,500
Overheads	1,050	1,188	2,009
Actual output (units)	9,500	9,100	8,100
Normal loss	3%	5%	8%

The wastage of Process I was sold at 25 paise per unit, that of Process II at 50 paise per unit and that of Process III at Re. 1 per unit.

Raw materials of Rs. 10,000 units were introduced into Process I in the beginning at a cost of Re. 1 per unit.

- 5 Write short notes on : (any **two**)
- (1) Material Variances
 - (2) Techniques of Costing
 - (3) Job Costing.