

Registration No :

--	--	--	--	--	--	--	--	--	--

Total Number of Pages : 02

IMBA
16IMN405

4th Semester Regular / Back Examination 2018-19
MANAGEMENT ACCOUNTING

BRANCH : IMBA

Max Marks : 100

Time : 3 Hours

Q.CODE : F857

Answer Question No.1 (Part-1) which is compulsory, any EIGHT from Part-II and any TWO from Part-III.

The figures in the right hand margin indicate marks.

Part- I

Q1 Only Short Answer Type Questions (Answer All-10) (2 x 10)

- Explain with an example the concept of conversion cost.
- State the chief objectives of Management Accounting.
- How do you find the cost of production?
- Why should the management lay emphasis on inventory control?
- What are the different ways of computing the wages of a worker?
- How is fixed cost different from variable cost?
- What is the formula to calculate notional profit when the contract is complete more than 75%.
- What is a master budget?
- What is standard cost?
- What are the purpose of making CVP analysis?

Part- II

Q2 Only Focused-Short Answer Type Questions- (Answer Any Eight out of Twelve) (6 x 8)

- Discuss the advantages and disadvantages of LIFO.
- What are the causes of labour turnover?
- Differentiate between Normal loss and abnormal loss.
- What are elements of cost? Explain.
- Differentiate between cost control and cost reduction.
- What do you mean by changes in working capital? How do you interpret the changes in it?
- Which one is mandatory for a company to report? Funds Flow statement or Cash flow statement?
- Draw a table showing the funds flow statement.
- What are the objectives of preparing budgets?
- Explain different techniques of cost reduction.
- What are the different methods of absorption of overhead?
- What is overhead? Discuss the different types of overhead.

Part-III

Q3 Only Long Answer Type Questions (Answer Any Two out of Four)
Distinguish between Cost Accounting and Management Accounting. **(16)**

Q4 You are given the following information: **(16)**

August 2018	Sales Rs 90,000	Loss Rs 10,000
September 2019	Sales Rs 1,30,000	Profit Rs 10,000

Calculate :

- P/V Ratio
- Fixed Overheads
- Level of Activity if Rs 25,000 is to be earned as profit
- Expected profit if sales are budgeted at Rs 1,80,000

14

Q5

Prepare a cost sheet from the following data :

(16)

Items	Rupees
Opening stock :	
Materials	2,00,000
Work in progress	60,000
Finished Goods	5000
Closing Stock :	
Materials	1,80,000
Work in progress	50,000
Finished Goods	15,000
Materials Purchased	5,00,000
Direct Wages	1,50,000
Manufacturing Expenses	1,00,000
Sales	8,00,000
Selling and Distribution expenses	20,000

Q6

Draw a break even diagram and label the components. Also explain the relevance of Angle of incidence and Margin of safety.

(16)

15

Registration No :

--	--	--	--	--	--	--	--	--	--

Total Number of Pages : 02

IMBA
IMN405

4th Semester Regular Examination 2017-18
MANAGEMENT ACCOUNTING
BRANCH : IMBA
Time : 3 Hours
Max Marks : 100
Q.CODE : C1023

Question No1 & No 2 are compulsory and answer any four from the rest.
The figures in the right hand margin indicate marks.
Answer all parts of a question at a place.

Q1 Fill up the blanks in the following questions: (2 x 10)

- a) Perpetual Inventory control is also known as -----.
- b) LIFO stands for----- and WAP stands for-----
- c) -----is a budget designed to change in accordance with the level of activity actually attained.
- d) ZBB stands for-----.
- e) Increase in net working capital signifies-----of funds.
- f) Contract costing is applied in -----industries.
- g) Value is more important than volume in -----type of control.
- h) Incremental cost is considered in -----costing
- i) The formula for finding labor cost variance is-----.
- j) The formula for finding break even point is-----when number of items produced is not given.

Q2 Explain the following terminologies: (2 x 10)

- a) Master Budget
- b) Standard cost
- c) Notional profit
- d) Margin of safety
- e) Cost reduction
- f) Labor turnover,
- g) Systems of wage payment
- h) Conversion cost
- i) Under absorption of overhead
- j) Application of process costing

Q3 Discuss the difference between Cost Accounting and Management Accounting. (15)

Q4 What is CPV analysis? Discuss its uses in business decisions. (15)

Q5 From the data given find out – **(15)**

- i) P/V Ratio
- ii) B.E. Point
- iii) Profit when sales is Rs 1,80,000
- iv) Sales needed to make Rs 12,000 profit
- v) Margin of safety in 2015

If in 2014 sales is Rs 1,20,000 and profit is Rs 8,000; and in 2015 sales is Rs.1,40,000 and profit is Rs 13,000

Q6 Distinguish between Funds flow statement and cash flow statement. Discuss the limitations of both funds flow and cash flow statement. **(15)**

Q7 Prepare a cost sheet from the following: **(15)**

Direct Material:	Rs 30,000
Direct Wages	Rs 20,000
Chargeable Expenses	Rs 10,000
Opening stock of Work in progress	Rs 5,000
Closing stock of work in progress	Rs. 7,000
Opening stock of finished goods :	Rs 10,000
Closing stock of finished goods	Rs 15,000
Factory overheads are 100 per cent of prime cost	
Administrative overheads are 40% of factory cost	
Selling and Distribution overheads are 10% of cost of goods sold	
Goods are sold at 20 % of profit of sales price.	

Q8 Write short notes any THREE of the following : **(5 x 3)**

- a) Techniques of material control
- b) Measurement of labour turnover
- c) Flexible budgeting
- d) Material variances
- e) Normal Loss and Abnormal Loss
- f) Absorption of Overhead