

Code No: MA302

**JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD
MBA – III Semester Examinations, February -2012
COST AND MANAGEMENT ACCOUNTING**

Time: 3hours

Max. Marks: 60

**Answer any five questions
All questions carry equal marks**

1. Write a short note on types of costing.
2. Explain the concept of ABC analysis as a technique of inventory control.
3. Write the difference between marginal costing / absorption costing.
4. A product passes through two processes A&B. Prepare the process accounts from the following:

	A	B
10000 units introduced at cost	20000	-----
Material consumed	24000	12000
Direct labour	28000	16000
Normal loss on input	5%	10%
Manufacturing expenses	8000	8500
Scrap value of normal loss	40%	50%
output	9400	8500

Prepare abnormal loss/ effective account as the case may be with each process account.

5. The following are budgeted expenses of 10000 automatic irons: direct material Rs.60 per unit, direct labour Rs.30, variable over head Rs.25, fixed overhead –(Rs.150000)- Rs.15, variable expenses (direct)--Rs.5, selling expenses(10% fixed)--Rs.15, distribution expenses (20% fixed)Rs.5 , administration expenses Rs.50000 ,fixed for all (levels of production)--Rs.5. Prepare a budget for production of 6000, 7000, & 8000 irons, showing marginal cost and total cost.
6. The standard cost of a chemical mixture is as under: 10 tons of material A at Rs.40 per ton. 15 tons of material B at Rs.60 per ton, standard cost for a period is as under: 12 tons of material A at Rs.30 per ton, 20 tons of material B T Rs.68 per ton, actual yield is 26.5 tons. Compute all material variances.
7. What is a key factor? How does it affect the profitability of a product?
8. What are the essential requisites for installation of a uniform costing system?

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