2018

MBA

MBA : 1.6

ACCOUNTING FOR MANAGERS

Full Marks :70

Time :3 hours

The figures in the margin indicates full marks for the questions

A. Write short notes on any five from the following : 5X2=10

(i) Cost unit
(ii) Marginal cost
(iii) Budgetary control
iv) ABC analysis
(v) Variance
(vi) State two types of industries where standard costing can be applied.
(vii) Job costing

B. Answer any five from the following: 4X5=20

(i) State the users of accounting information for decision making purpose.
(ii) Classify cverheads.
(iii) Classify budgets.
(iv) Discuss break even point.
(v) Write short notes on zero based budgeting and master budget. 2+2=4
(vi) State the advantages of standard costing.

C. Answer any five from the following: 5 X8=4

(i) State the reasons for labour cost variance.
(ii) Discuss any two methods of inventory control . 4+4= 8
(iii) What is variance analysis? State its various types. 2+6=8
(iv) Prepare a Cost Sheet from the following data:
Stock of materials on 1.1.2014.......... Rs 70,000
Stock of materials on 31.1.2014......... Rs 93,000
Direct Wages Rs 50,000

P.T.O.

IndirectWages Rs 50,000
Materials purchased Rs 1,40,000
Factory Rent Rs 50,000
Office Rent Rs 50,000
Travelling expenses Rs 8,000
Factory Rent Rs 60,000
Office Rent Rs 10,000
Showroom expenses Rs 16,000
Find out:

(a) Cost of Materials used 2 marks
(b) Works Cost 2 marks
(c) Cost of production 2marks
(d) Cost of Goods Sold 2 marks

(v) A Co submits the following data for the fourth quarter of 2013.

	Product X	Product Y	Product Z
Sales in Units			
Jan	25000	30000	10000
Feb	20000	25000	10000
Mar	30000	35000	10000
Selling Price per unit	10	20	40
Target for 1st quarter 2014			
Sales quantity increase	20%	10%	10%
Sales price increase	Nil	10%	25%
Stock Position on 1st Jan 2014			
Percentage of January 2014 sales	50%	50%	50%
Stock Position on 31st March 2014	20000	25000	5000
Stock Position at the end of Jan and Feb			
Percentage of subsequent months sales	50%	50%	50%

Prepare Sales Budget for the fourth quarter of 2014.

(vi) Nokia is running in losses. Management is considering proposal to shut-down the same.Advise on the same:
Normal Capacity 10,000 units
Fixed Cost if the plant is put to operation Rs 1,00,000
Fixed Cost if the Plant is Shut Down Rs 78,000
Variable Cost per unit Rs 75
Selling Price Per unit Rs 80
Estimated Sales volume at this price 5,000 units.

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