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Total Number of Pages : 02

MBA  
18MBA303B

**3<sup>rd</sup> Semester Regular Examination 2019-20**  
**ADVANCED MANAGEMENT ACCOUNTING**  
**BRANCH : MBA**  
**Max Marks : 100**  
**Time : 3 Hours**  
**Q.CODE : HR966**

**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)**

- a) What do you mean by fixed cost, give example?
- b) Give examples of two industries where process costing is adopted.
- c) What do you mean by prime cost?
- d) How can you classify overhead on the basis of elements?
- e) What do you mean by contribution?
- f) How do you compute cost of production?
- g) What do you mean by Flexible Budget?
- h) Write the uses of marginal costing.
- i) What do you mean by Margin of Safety?
- j) Give appropriate cost units: Milk, Tea, Wheat and Egg.

**Part- II**

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

- a) Distinguish between cost centre and cost unit.
- b) What is interprocess profit?
- c) Briefly describe Labour Variance.
- d) Distinguish between Budgetary control and standard costing
- e) Explain Machine Hour Rate.
- f) Distinguish between Joint Product and Byproduct.
- g) What do you mean by Cost Reduction?
- h) Discuss the functional Budgets.
- i) Explain Break Even Analysis in brief.
- j) Explain Labour Hour Rate with example.
- k) How do you apportion the overhead?
- l) How do you treat Abnormal Loss in Process Costing?

Part-III

Only Long Answer Type Questions (Answer Any Two out of Four)

- 210 Q3 210 What is significance of the term Variance in standard costing? Explain all the Material Variances with numerical illustration. (16) 210
- Q4 Magma Ltd manufactures and sells a standard product at fixed selling price. The budgeted figures for the year 2019 are as under: (16)
- |                     |                          |
|---------------------|--------------------------|
| Production and sale | 2,00,000 units           |
| Variable Cost       | Rs 56 per unit           |
| Fixed Cost          | Rs 48,00,000 per Annum   |
| Profit Margin       | 33 1/3% of selling price |
- You are required to determine selling price per unit and Sales at Break Even Point in terms of quantity and value at the above selling price.
- 210 Q5 210 Describe briefly the main features of Process costing. Compare Job Costing with process costing. (16)
- 210 Q6 210 What do you understand by Absorption of overhead? Describe various methods of absorption of factory overhead. (16)