



**MBA (TT) DEGREE II SEMESTER EXAMINATION MAY 2016**

**SMT 2205 MANAGEMENT ACCOUNTING**  
(Regular and Supplementary)

Time: 3 Hours

Maximum Marks: 50

**PART A**  
(Answer *ALL* questions)

(5 × 2 = 10)

1. What is ABC analysis?
2. What are the elements of cost?
3. Define Break Even Point.
4. List out the functions of Standard Costing.
5. What are the objectives of Transport Costing?

**PART B**  
(Answer *ANY FIVE* questions)

(5 × 4 = 20)

6. Briefly explain various elements of Cost.
7. Explain the concept of Cost of Variance.
8. Distinguish between Management Accounting and Cost Accounting.
9. Explain various assumptions of Marginal Costing.
10. Explain various types of Budgets.
11. What do you understand the concepts of Cost Volume Profit Analysis?
12. From the following particulars of XYZ Ltd, prepare a statement of cost.

Opening stock of raw materials	:	25000
Purchase of raw materials	:	5,00,000
Opening stock of finished goods	:	35000
Productive wages	:	2,00,000
Finished goods sold	:	10,00,000
Work overhead charges	:	50,000
Closing stock of raw materials	:	60,000
Closing stock of finished goods	:	40,000

(P.T.O.)

**PART C**  
(Answer *ANY TWO* questions)

(2 × 10 = 20)

13. Kisan health service provided the following details:

Consultations involving	Payment from Insurance Company
Number of treatment	60
Minor treatment	250
Major treatment	500

In addition, the adult patients will have to make a co-payment which is equivalent to the amount of payment for the respective category of treatment made by the insurance company.

The centre will open for 6 days in a week for 52 weeks in a year. Each physician treated 20 patients per day although the maximum number of patient that could have been treated by a physician on any working day is 24 patients.

The health centre received ₹225280 per annum for promotion of health. Annual expenditure of the health centre are as follows:

1.	Materials consumed	₹2232000/-
2.	Establishment and operating cost	₹1600000/-
3.	Salary details per annum per employee	
(a)	Physician ₹450000/- and number of Physicians	6
(b)	Assistant ₹150000/- and number of Assistants	7
(c)	Administrative staff ₹90000/- and total number.	2

Patient Mix:

Adults 50%, children 40%, senior citizens 10%

Mix of patient appointments (%)

Consultation requiring no treatment 70%

Minor treatment 20%, major treatment 10%

Calculate the net income of the Kisan health centre.

14. From the following information calculate break even point in units and in sales value.

Output	:	3000 units
Selling price per unit	:	₹30
Variable cost per unit		₹20
Total fixed cost	:	₹20000

15. Explain various types of costing.

