

Register No.:

Name.:

SAINTGITS COLLEGE OF ENGINEERING (AUTONOMOUS)

(AFFILIATED TO APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY, THIRUVANANTHAPURAM)

**THIRD SEMESTER MBA DEGREE EXAMINATION (Regular), DECEMBER 2022
(2021 Scheme)****Course Code : 21MBA263****Course Name: Strategic Cost Management****Max. Marks : 60****Duration: 3 Hours****PART A****(Answer all questions. Each question carries 2 marks)**

1. Define Cost Accounting.
2. What is Break-Even Point?
3. Narrate the meaning of Standard Cost.
4. Explain the term Budgetary Control?
5. What is Master Budget?

PART B**(Answer any 3 questions. Each question carries 10 marks)**

6. From the following information, prepare a cost sheet for the month of January 2020

Particulars	Amount in Rs
Stock in hand 1 st January:	
Raw Materials	25,000
Work-in-progress	8,200
Finished goods	17,300
Raw Materials Consumed during January 2020	21,800
Works Cost for the month (after adjusting work-in-progress)	48,400
Cost of production of goods sold	53,200
Purchase of raw materials	21,900
Carriage on purchases	1,100
Factory overheads	9,100
Sale of finished goods	72,300
Direct wages	17,200
Direct Expenses	1,200
Administration overheads	3,200
Selling and distribution overheads	4,200

7. The following Particulars are obtained from the records of a company manufacturing two products A and B.

Particulars	Product -A (Per Unit) Amount in Rs.	Product -B (Per Unit) Amount in Rs.
Selling Price	Rs.200	Rs.400
Material Cost (Rs.20 per kg.)	Rs.40	Rs.100
Direct Wages (Rs. 6 per hour)	Rs.60	Rs.120
Variable overhead	Rs.20	Rs. 40
Total Fixed overhead is Rs. 10,000		

Examine the profitability of each when production capacity in hours is the limiting factor.

8. Compute Material Cost variances from the following data:

Particulars	Standard	Actual
Quantity	400 kgs	460 kgs
Price	Rs.20 per Kg	Rs.1.5 per kg
Value	Rs.800	Rs.690

9. Distinguish between Budgetary Control and Standard Costing with examples.

10. XYZ Company wishes to arrange O.D facilities with its bankers during the period April- June , when it will be manufacturing mostly for stock.

(i) Prepare Cash Budget for the above period from the following data:

Months	Sales	Purchases	Wages
February	1,80,000	1,24,800	12,000
March	1,92,000	1,44,000	14,000
April	1,08,000	2,43,000	11,000
May	1,74,000	2,46,000	10,000
June	1,26,000	2,68,000	15,000

(ii) 50% of Credit Sale is realized in the month following the sale and the other 50% in the second month following .Creditors are paid in the month following the month of purchase.

(iii) Wages are paid at the end of the respective month.

(iv) Cash at Bank -1st April – Rs.25,000

PART C

(Compulsory question, the question carries 20 marks)

- 11.

Construct a Flexible Budget for Overheads on the basis of the following

data. Ascertain overhead rates at 50%, 60%, and 70% Capacity.

(20 Marks)

Variable Overheads	At 60% Capacity (Amount in Rs.)
Indirect Material	6,000
Indirect Labour	18,000
Semi-Variable overheads	
Electricity (40% fixed 60% Variable)	30,000
Repairs (80% fixed 20% variable)	3,000
Fixed Overheads	
Depreciation	16,500
Insurance	4,500
Salaries	15,000
Total Overheads	93,000
Estimated direct labour hours	1,86,000
