

R17
Code No: 743AQ
JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD
MBA III Semester Examinations, December - 2018
STRATEGIC MANAGEMENT ACCOUNTING
Time: 3hours
Max.Marks:75
Note: This question paper contains two parts A and B.

Part A is compulsory which carries 25 marks. Answer all questions in Part A. Part B consists of 5 Units. Answer any one full question from each unit. Each question carries 10 marks and may have a, b, c as sub questions.

PART - A
5 × 5 Marks = 25

1. a) What is Financial accounting? [5]
- b) Explain normal losses and abnormal losses. [5]
- c) Discuss Profit planning. [5]
- d) What is the need for inter-firm comparison? [5]
- e) Explain Material variance. [5]

PART - B
5 × 10 Marks = 50

2. Explain various differences between financial accounting and cost accounting. [10]

OR

3. What do you mean by management accounting? How it is useful for managers? [10]

4. What do you mean by cost? Explain various elements of cost. [10]

OR

5. What do you mean by elements of cost? Explain in detail and how these elements are presented in the form of a cost sheet. [10]

6. Explain the applications of Marginal costing in terms of cost control. [10]

OR

7. A radio manufacturing company finds that while it costs Rs. 6.25 to make a component, the same is available at market for 5.75 with an assurance of continued supply. The break cost is

	Rs.
Material	2.75
Labour	1.75
Variable expences	0.50
Fixed Expences	1.25
Total	6.25

- a) Should you make/buy? Give reasons.

- b) What would be your decision if the supplier offered the component at Rs. 4.85 each? [10]

8. "The method of costing depends on the nature of product, production methods and specific business conditions". Explain this statement. [10]

OR

9. What do you understand by the term break even analysis and how does this help in business decisions? [10]

10. Define standard costing? Describe the limitations of standard costing? [10]

OR

11. Calculate all labour variances with the help of following information-

•Standard

Number in standard gang	Men 20	women 10
Standard wages rate per hour	9.00Rs.	8.00Rs.
Standard gang hours in a week		40 hours
Standard output per gang hour		50 units

•Actual

Number in actual gang	Men 16	women 14
Actual wages rate per hour	10.00Rs.	5.00Rs.
Actual gang hours paid for		40 hours
Actual gang hours worked		39 hours
Abnormal Idle time		1 hour
Actual output 2400 units		

[10]

--ooOoo--