

SEMESTER EXAMINATION 2021-22
CLASS - BBA SUBJECT- MANAGEMENT AND COST ACCOUNTING
PAPER CODE BBA C 303: PAPER TITLE MANAGEMENT AND COST ACCOUNTING

Time: 3 hour

Max. Marks: 70

Min. Pass: 40%

Note: Question Paper is divided into two sections: **A and B**. Attempt both the sections as per given instructions.

SECTION-A (SHORT ANSWER TYPE QUESTIONS)

Instructions: Answer any five questions in about 150 words each.
Each question carries six marks.

(5 X 6 = 30
Marks)

Q1. What do you understand by the following terms:

- a. BEP
- b. MOS
- c. P/V Ratio

Q.2 “Management Accounting is the best tool for the management to achieve higher profits and efficient operations”. Discuss.

Q.3 How is Zero Based budgeting a revolutionary concept in Budgeting when compared to conventional budgeting. Explain.

Q4. Write short note on the following:

- a. Direct Cost
- b. Indirect Cost
- c. Semi Variable Cost

Q5. Differentiate between ABC Analysis and VED Analysis.

Q.6 “Transfer Pricing is the price at which the supplying center of an organization prices its transfer of output to the user center of the same organization” Discuss the statement .

Q.7 What are the main features of responsibility accounting.

Q8. Material used- 1000000, direct wages- 650000, work overheads-100000, office and journal expenses-1025010, selling and distribution overheads-16515. Calculate prime cost, working cost, office cost and total cost in the form of statement of cost? (All amount are in Rs.)

Q.9 Differentiate between Management Accounting and Cost Accounting.

Q10. Material = Rs. 60 per unit

Labour= 35% of material

Variable expenses= 54% of labour

Selling price= Rs. 350/unit

FC= RS. 100000

Number of units produced and sold = 6500.

Find out= a. Variable cost

b. P/V ratio

c. BEP (In units)

SECTION-B (LONG ANSWER TYPE QUESTIONS)

Instructions: Answer any FOUR questions in detail. Each question carries 10 marks. (4 X 10 = 40 Marks)

Q1. "A good system of costing serves as means of control over expenditure and helps to secure economy in manufacture". Discuss the statement to show the objects and function of Cost Accounting.

Q2. "Management Accounting is essential for successful running of the modern large scale manufacturing business units." Discuss the above statement and point out the benefits of Management Accounting system in the organization.

Q3. Discuss the importance and the different techniques that can be utilized for Material Control in an organization.

Q4. "Budgetary Control improves planning, aids in co-ordination and helps in having comprehensive control". Elucidate the above statement.

Q5. What is meant by 'Marginal Costs' ? Enumerate the circumstances when it may be necessary to sell at or below marginal costs.

Q6. On the basis of following data, estimate the cash requirement for ABC Pvt. Ltd. for June 2021

Sales February 2021 Rs. 20000

March 2021 Rs. 25000

April 2021 Rs. 25000

May 2021 and June 2021 Rs. 30000 per month

Roughly half of the sales are for cash. 90% of credit sales are collected in the month following the month of sale and balance one month later.

Wages for the quarter was Rs. 6000 per month, while cash expenses, depreciation and selling expenses were 3000, 7500 and 5000 respectively for the entire quarter.

Q7. Prepare a cost sheet from the following:

Direct Labour Cost		Rs 16,000
(160 % of Factory overhead)		
Cost of Goods sold		Rs. 56,000
	Opening	Closing
	Rs.	Rs.
Raw Materials	8,000	8,600
Work -in- Progress	8,000	12,000
Finished Goods	14,000	18,000
Other Data :		
Selling Expenses		3,400
General and Administrative Expenses		2,600
Sales for the month		75,000

Q8. Formulate the flexible budgeting at 75% and 100% capacity from the following information

	Rs.
Fixed Expenses:	
Management Salaries	24000
Rent and Taxes	20000
Depreciation	30000

Sundry Office Cost	40500
Semi- Variable Expenses at 50% capacity	
Plant Maintenance	10500
Indirect Labour	40900
Salesman's Salaries and Expenses	15450
Sundry Expenses	12000
Variable Expenses at 50% capacity	
Materials	120000
Labour	108000
Salesman Commission	20000.

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