

Roll No.

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Total No. of Pages : 03

Total No. of Questions : 18

BBA (2018 Batch) (Sem.-3)
COST & MANAGEMENT ACCOUNTING
Subject Code : BBA-303-18
M.Code : 76657

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. SECTIONS-B consists of FOUR Sub-sections : Units-I, II, III & IV.
3. Each Sub-section contains TWO questions each, carrying TEN marks each.
4. Student has to attempt any ONE question from each Sub-section.

SECTION-A

Write short note on the following in 2 - 5 lines :

1. Explain three merits of management accounting.
2. What is margin of safety?
3. Discuss the significance of liquidity ratio.
4. Define contribution.
5. Discuss in detail benefits of ideal costing system.
6. Define overhead cost variance.
7. How will you calculate profit volume ratio?
8. What do you mean by debt equity ratio?
9. How will you calculate breakeven point?
10. Define budget administration.

SECTION-B

UNIT-I

11. Define cost accounting. Discuss in detail objectives, nature and scope of cost accounting.
12. Explain meaning, nature, different types of ratios, their uses and limitations.

UNIT-II

13. The following data is obtained from the books of manufacturing concern :

	Men	Women
Number in the standard gang	24	14
Standard rate per hour	Rs. 8	Rs. 7
Number in the actual gang	18	16
Actual rate per hour	Rs. 9	Rs. 6

During a week, 2 hour were lost due to power failure and work was actually done for 40 hours. Calculate labour mix variance and idle time variance.

14. Define financial statement analysis. Discuss in detail difference between trend analysis and common size statement analysis with the help of example.

UNIT-III

15. Anupam International LTD. produces three products A, B, C each requiring more than one labour operation. Labour requirement per unit of output is given below:

Operation	A	B	C
1	10	20	5
2	5	-	10
3	15	10	5

The factory works for 8 hours per day for 26 days in a month. In a month 8 hours are lost due to various reasons. The budgeted hourly rates for the workers in operations 1, 2 and 3 are Rs. 4, Rs. 5 and Rs. 6 respectively. The budgeted production during the Month for the three products is as follows :

PRODUCT A	4000 units
PRODUCT B	6000 units
PRODUCT C	8000 units

Prepare a labour budget for the month showing for each operation, (i) direct labour hour (ii) direct labour cost and (iii) the number of workers.

16. What do you mean by budgetary control? Discuss in detail types of budget.

UNIT-IV

17. What do you mean by marginal costing? How marginal costing differ from absorption costing, explain with the help of example.
18. A Company producing two products X and Y faces the problem of labour shortage. Maximum labour hours available in a month are 10,000 hours. The following other information is available:

	Product X(Rs)	Product Y(Rs)
Material Cost	6.00	6.00
Direct Labour Cost		
10 hours @ Re 1.00	10.00	
5 hours @ Re 1.00		5.00
Variable Overheads	4.00	2.00
Fixed overheads	5,000	5,000
Selling price	30.00	20.00

Show which product is more profitable? Give proof in support of your answer.

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.