Roll No. | | | | | | | | | | | | |

Total No. of Pages: 02

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BRDM/(Bachelor In Service Industry Management)(SIM) (2014 & Onwards) / B.SC.Business Economics(BBE) (2015 Onwards) / BBA(2012 & Onwards Batches) (Sem. – 3)

COST ACCOUNTING

M Code: 70624

Subject Code: BBE-303/BBA-303

Paper ID: [C1166]

Time: 3 Hrs. **Max. Marks: 60**

INSTRUCTIONS TO CANDIDATES:

1. **SECTION A is COMPULSORY consisting of TEN questions carrying TWO marks each.**
2. **SECTION B contains FOUR UNITS I, II, III and IV. Each unit contains TWO questions carrying TEN marks each and students have to attempt at least ONE question from EACH UNIT.**

SECTION A

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

   a) Explain three limitations of financial accounting.

   b) What is break-even-point?

   c) How standard costing differ from budgetary control?

   d) Define P/V ratio.

   e) Discuss in detail benefits of marginal costing.

   f) Define trend analysis.

   g) Discuss the significance of debt equity ratio.

   h) What do you mean by cash flow statement?

   i) How will you calculate cash from operation?

   j) Define idle time.

SECTION B

UNIT I

2. Define cost accounting. Discuss in detail objectives, advantages and disadvantages of cost accounting.

3. Discuss in detail with the help of example, methods of wage payment.

UNIT II

4. Describe the concept of marginal costing. Discuss in detail managerial applications of marginal costing with the help of examples.

5. Define overhead. Discuss in detail classification, absorption and apportionment of overheads.

UNIT III

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

7. 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 @ Re1.00		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.

UNIT IV

8. What is the purpose of preparing a cash flow statement? How is it prepared? Explain with the help of example.

9. Draw up a balance sheet from following information given below:

Current ratio : 2.5	Fixed asset turnover ratio : 2 times
Liquidity ratio : 1.5	Average debt collection period : 2 months
Stock turnover ratio : 6 times	Fixed asset : shareholders
Gross profit ratio : 20%	Net Worth = 1:1
Net working capital : Rs 300 000	Reserve : Share capital 0.5 :1