Roll No. | | | | | | | | | | | | **Total No. of Pages : 03**

Total No. of Questions : 18

BBA (2018 Batch) (Sem.–3)

COST & MANAGEMENT ACCOUNTING

Subject Code : BBA303-18

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

I. Cost control

2. Cost center

3. Current ratio

4. Trend analysis

5. Comparative financial statements

6. Master budget

7. Zero base budgeting

8. Variable cost

9. Break even point

10. Margin of safety

SECTION-B

UNIT-I

11. What is cost accounting? Differentiate between cost and management accounting. Also discuss the objectives and scope of cost accounting.

12. From the following particulars, you are required to prepare the Trading and Profit and Loss Account and Balance Sheet of ABC Co. Ltd.

Gross profit ratio	25%
Net profit ratio	20%
Stock turnover ratio	10
Net profit/Capital	1/5
Capital to Total Liabilities	1/2
Fixed Assets/Capital	5/4
Fixed Assets/Total Current Assets	5/7
Fixed Assets	INR 10,00,000
Closing Stock	INR 1,00,000

UNIT-II

13. What do you mean by financial statements? Write a detailed note on various financial statement analytical tools alongwith their merits and limitations.

14. ABC Co. Ltd. has the following material mix :

Material	**Standard**		**Actual**	
	Quantity	Unit Price	Quantity	Unit Price
A	120	20	88	30
B	80	10	132	10

If the actual output is 180 units, you are required to calculate (a) Material cost variance, (b) Material price variance, (c) Material quantity variance, (d) material mix variance and (e) material yield variance.

UNIT-III

15. What do you mean by budgetary control? Write a detailed note on the process and objectives of budgetary control.

16. The cost of an article at a capacity level of 5000 units is given in the table below under column A. For a variation of 25% in capacity above or below this level, the individual expenses vary as indicated in column B.

	Column A (Rs)	**Column B**
Material cost	25000	100% variable
Labour cost	15000	100% variable
Power	1250	80% semi-variable
Repairs and maintenance	2000	75% semi-variable
Stores	1000	100% variable
Inspection	500	20% semi-variable
Administrative overheads	5000	25% semi-variable
Selling overheads	3000	50% semi-variable
Depreciation	10000	100% fixed

You are required to prepare the flexible production budget at 4000 units and 6000 units.

UNIT-IV

17. What do you mean by marginal costing? Differentiate between marginal costing and absorption costing. Briefly discuss the advantages of marginal costing.

18. In a purely competitive market 10,000 units of a product can be manufactured and sold and certain amount of profit is generated. It is estimated that 2,000 units of that product need to be manufactured and sold in a monopoly market to earn the same profit. Profit under both market conditions is targeted at INR 2,00,000. The variable cost per unit is INR 100 and the total fixed cost is INR 37,000. You are required to determine the selling prices under both monopoly and competitive market conditions.

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.