

Roll No.

--	--	--	--	--	--	--	--	--	--	--	--

Total No. of Pages: 03

Total No. of Questions: 09

BBA (Sem. – 3)
COST AND MANAGEMENT ACCOUNTING
Subject Code: BBA303-18
M Code: 76657
Date of Examination: 16-12-2022

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. Each Sub-section contains TWO questions each, carrying TEN marks each.
3. Students have to attempt any ONE question from each Sub-section.

SECTION-A

1. Answer the following:

- a) Discuss the objectives of cost Accounting.
- b) Define current ratio.
- c) What is variance analysis?
- d) Define budgetary control.
- e) Write two examples of semi variable cost.
- f) Cost of goods sold is Rs 2,20,000; Sales is Rs 4,00,000. Calculate gross profit ratio.
- g) Define margin of safety.
- h) Define Key factor.
- i) Define direct and indirect cost.
- j) Define Management Accounting.

SECTION-B

UNIT-I

2. Discuss the difference between cost and management accounting.

3. The following is the Balance Sheets of M/S. Gupta for the years 2018. Comment on the Liquidity and Solvency position of the business using Ratio analysis.

LIABILITIES	2018 (Rs.)	ASSETS	2018
Equity Share Cap.	7,00,000	Land & Building	2,70,000
Reserves & Surplus	2,30,000	Plant & Machinery	4,00,000
Debentures	1,00,000	Furniture	20,000
Long Term Loan on Mortgage	90,000	Other Fixed Assets	25,000
Bills Payables	60,000	Cash in Hand	80,000
Sundry Creditors	1,00,000	Bills Receivables	1,00,000
Other Current Liabilities	65,000	Sundry Debtors	2,00,000
		Stock	2,50,000
	13,45,000		13,45,000

UNIT-II

4. From the following balance sheet B Ltd. for the year ending 31st December 2017 and 2018, prepare a comparative Balance Sheet.

Liabilities	2017	2018	Assets	2017	2018
Equity share capital	1,50,000	2,00,000	Goodwill	36,000	20,000
12% preference share capital	75,000	50,000	Building	80,000	60,000
General reserve	20,000	35,000	Plant	40,000	1,00,000
P&L A/C	15,000	24,000	Debtors	1,19,000	1,54,500
Creditors	37,500	49,500	Stock	10,000	15,000
			Cash	12,500	9,000
	2,97,500	3,58,500		2,97,500	3,58,500

5. Explain the concept of standard cost and standard costing. Also, discuss its advantages and limitations.

UNIT-III

6. What is budgetary control system? State the advantages of budgetary control in an organization.
7. Prepare a flexible budget for production for 75% and 100% activity on basis of the following information:

Production at 50% capacity	6000 units
Raw materials	Rs. 80 per unit
Direct labour	Rs. 50 per unit
Direct expenses	Rs. 15 per unit
Factory expenses	Rs. 50000 (50% fixed)
Administration expenses	Rs. 60,000 (60% fixed)

UNIT-IV

8. "Marginal costing is an invaluable aid in management decision making". Discuss it briefly.
9. The following data is given:

Fixed cost	Rs. 9,000
Selling price	Rs. 10 per unit
Variable cost	Rs. 8 per unit

Calculate profit and contribution also find out:

- a) What will be the profit when sales are:
- i) Rs. 60,000
 - ii) Rs. 1,00,000
- b) What will be the amount of sales if it is desired to earn a profit of
- i) Rs. 6,000
 - ii) Rs. 15,000

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