

BBA-09

December - Examination 2017

BBA Pt. II Examination**Cost and Management Accounting****Paper - BBA-09****Time : 3 Hours]****[Max. Marks :- 80**

Note: The question paper is divided into three sections A, B and C. Write answers as per given instructions.

Section - A**8 × 2 = 16**

(Very Short Answer Questions)

Note: Answer **all** questions. As per the nature of the question delimit your answer in one word, one sentence or maximum upto 30 words. Each question carries 2 marks.

- 1) (i) What do you mean by cost unit?
- (ii) Give four examples of direct / chargeable expenses.
- (iii) Give the formula for calculating time wages.
- (iv) Explain the meaning of first-in-first out method.
- (v) Write the formula for calculating absorptions rate of overhead by Direct Labour Hour Rate method.
- (vi) Name of the four industries to which unit costing method is applied.

(vii) Give formula for calculating “Material Price Variance.”

(viii) What is sub-contract cost?

Section - B

4 × 8 = 32

(Short Answer Questions)

Note: Answer **any four** questions. Each answer should not exceed 200 words. Each question carries 8 marks.

- 2) Write the format of cost sheet.
- 3) Define cost accounting. Discuss briefly the objectives of cost accounting.
- 4) Calculate economic order quantity from the following informations:

Annual demand 5000 units, unit price ₹ 20, Order cost ₹ 16, Carrying cost 20% p.a.
- 5) Explain the time rate system and piece rate system of wage payment.
- 6) Explain various basis of apportionment of overheads.
- 7) How are profits computed in respect of contract nearing completion?
- 8) How normal wastage, abnormal wastage is treated in process cost account? Explain with illustration.
- 9) If standard time required 100 hours, standard rate per hour ₹ 10, actual time used to complete 120 hours, actual rate per hour ₹ 11,. Calculate labour variances from the above information.

Section - C**2 × 16 = 32**

(Long Answer Questions)

Note: Answer **any two** questions. You have to delimit your each answer maximum upto 500 words. Each question carries 16 marks.

10) Calculate profit volume ratio, Break even point in (₹), Break even point in units and margin of safety from the following informations :

Selling price per unit ₹ 10, variable cost per unit ₹ 6, fixed cost ₹ 80,000,. Present sales 25,000 units.

11) What is machine hour rate? Explain how it is computed.

12) Write a note on “Activity Based Costing”.

13) 500 units are introduced into a process at a cost of ₹ 500. Total additional expenditure incurred by the process is ₹ 320. 50 units normal wastage it process a scrap value of ₹ 20. Actual production 400 units. You are required to prepare a process account.
