

Calculate for each component :

- (a) Re-ordering level
 - (b) Minimum level
 - (c) Maximum level
 - (d) Average stock level
6. What do you mean by 'Labour Turnover' ? Mention the various methods of its measurement and explain what is the impact of Labour Turnover on working of a manufacturing concern ?
7. If in an industry estimated cost is – direct material ₹ 20,000, direct wages ₹ 30,000 and factory overheads ₹ 5,000. On this basis calculate the total cost of a particular product in which direct material cost ₹ 1,000, direct wages ₹ 600 and direct expenses ₹ 400 if the factory overheads are charged on the basis of (a) direct material, (b) direct labour and (c) prime cost.
8. What is Contract Account ? How is it prepared ? Give a specimen of such an account using imaginary figures.
9. What do you know by the term 'Standard', 'Standard Cost' and 'Standard Costing' ? Explain the advantages and disadvantages.

BBA-09

December – Examination 2021
BBA (Part II) Examination
Cost and Management Accounting
Paper : BBA-09

Time : 1½ Hours]

[Maximum Marks : 70

Note :- The question paper is divided into two Sections A and B. Write answers as per the given instructions.

Section-A

4×3½=14

(Very Short Answer Type Questions)

Note :- Answer any *four* questions. As per the nature of the question delimit your answer in one word, one sentence or maximum up to **30** words. Each question carries 3½ marks.

1. (i) What is Inflation Accounting ?
- (ii) What is Marginal Costing ?
- (iii) What do you mean by Sub-contracting ?
- (iv) Write any *two* advantages of Stock Control Cards.

- (v) What do you mean by Direct Material Cost ?
- (vi) The cost of producing 800 units of an article was ₹ 2,400. When 1,200 units of the same article were produced, the cost incurred was ₹ 3,000. Segregate the fixed and variable part of the cost.
- (vii) What is activity based costing ?
- (viii) What do you mean by Tender Price ?

Section-B **4×14=56**

(Short Answer Type Questions)

Note :- Answer any *four* questions. Answer should not exceed **200** words. Each question carries 14 marks.

2. “Cost Accounting System is neither unnecessary nor expensive, rather it is profitable investment.” Comment.
3. From the following particulars of a manufacturing firm, prepare a statement showing :
- (i) Cost of materials consumed
- (ii) Works cost
- (iii) Cost of production
- (iv) Percentage of works overhead to productive wages
- (v) Percentage of general overhead to works cost

	(₹)
Stock of materials on January 1, 2008	40,000
Purchase of raw materials in	
January, 2008	11,00,000
Stock of finished goods on 1-1-2008	50,000
Productive wages	5,00,000
Finished goods sold	24,00,000
Works overhead charges	1,50,000
Office and general expenses	1,00,000
Stock of materials on 31-1-2008	1,40,000
Stock of finished goods on 31-1-2008	60,000

4. What is centralization and decentralization in material management ? Compare and contrast between the two.
5. Two components, A and B are used as follows :
- | | |
|-------------------|------------------|
| Normal usage | 50 per week each |
| Maximum usage | 75 per week each |
| Minimum usage | 25 per week each |
| Re-order quantity | A : 300; B : 500 |
| Re-order period | A : 4 to 6 weeks |
| | B : 2 to 4 weeks |