

# BBA-09

December – Examination 2023

## B.B.A. (IIInd Year) Examination COST AND MANAGEMENT ACCOUNTING Paper : BBA-09

*Time : 3 Hours ] [ Maximum Marks : 70*

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

**Section-A** **7×2=14**

**(Very Short Answer Type Questions)**

*Note* :- Answer all 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 2 marks.

1. (i) State any *four* differences between Financial Accounting and Cost Accounting.
- (ii) What do you understand by Indirect Labour ?
- (iii) Give formulae for determinaiton of minimum stock level and maximum stock level.
- (iv) What is meant by Semi-variable overhead and give any *two* examples.
- (v) State the names of any *four* industries where unit-costing is applicable.
- (vi) Explain accountitng process for normal wastage in costing.
- (vii) What is Material Cost Variance ? Give formula.

**Section-B****4×7=28****(Short Answer Type Questions)**

*Note* :- Answer any *four* questions. Each answer should not exceed **200** words. Each question carries 7 marks.

2. From the following information, prepare the stores Ledger Account on the basis of First in First Out method :

Purchases	Issues
August 2022	August 2022
12, 6000 units @ ₹ 12 each	14, 3000 units
13, 5000 units @ ₹ 14 each	16, 1250 units
22, 3000 units @ ₹ 13 each	26, 2500 units

Return from Job to Stores :

August 15, 2022 – 500 units @ ₹ 12 each.

3. From the following details, compute the Direct Labour Hour Rate of Department A :

- (i) The number of workers is 200.
- (ii) The factory works for 320 days in a year.
- (iii) The factory works for one shift of 8 hours.
- (iv) 5% of the man hours is expected to be lost in idle time and
- (v) The total factory overheads of department A are ₹ 84,320.

Also find out the overheads amount absorbed on Job No. 50 on this basis. The net direct labour hours spent on this job were ₹ 8,000.

4. What do you mean by Activity Based Costing ? Explain different stages of Activity Based Costing.
5. Define Process Costing. Describe the general principle of this type of costing and give its salient features.

6. What do you mean by Single or Output Costing ?

Prepare a cost sheet by taking imaginary figures.

7. Explain the following :

(a) Halsey Premium Plan

(b) Rowan Premium Plan

8. The following data are given :

Fixed Expenses ₹ 1,00,000

Variable Expenses ₹ 10 per unit

Selling Price ₹ 15 per unit

Find out :

(a) Break-Even Point

(b) P/V Ratio

(c) Margin of safety at a profit of ₹ 50,000

(d) Sales to earn a profit of ₹ 10,000

9. Discuss the nature and scope of management accounting.

**Section-C**

**2×14=28**

**(Long Answer Type Questions)**

*Note* :- Answer any *two* questions. You have to delimit your each answer maximum up to **500** words.

Each question carries 14 marks.

10. Write explanatory notes on the following :

(a) ABC Analysis

(b) Economic Order Quantity

(c) Bin Card

(d) Material Requisition Note

11. What are elements of Cost ? Illustrate different components of cost.

12. What are the different methods of calculating profit on an incomplete contract ? Explain with illustrations.

13. From the following data, calculate all the variance relating to material :

Standard			Actual		
Material	Qty. (units)	Price (₹)	Material	Qty. (units)	Price (₹)
A	100	20	A	215	18
B	200	17	B	385	20
	300			600	
Less (-) :			Less (-) :		
10% loss	30		Loss	70	
Output	270		Output	530	