

BBA-09

December - Examination 2025
BBA (IInd 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) Differentiate between 'Cost' and 'Costing'.
- (ii) Give formula for determination of Maximum Stock Level.
- (iii) What are the causes of Idle Time? Name them.
- (iv) What will be the impact on variable cost per unit and fixed cost per unit if the level of activity is changed?
- (v) If Contract Price is ₹ 80000, Certified work is ₹ 64000 and notional profit is ₹ 15000, 80% of the certified work has been received in cash. In this situation, calculate the amount of profit which is to be credited to Profit and Loss Account.
- (vi) Give any four characteristics of Management Accounting.
- (vii) Write the difference between favourable and unfavourable variance.

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. X Ltd. has purchased and issued the material in the following order :

(A)	Date	Purchases	Rate
	2025		
	Jan 1	300 units	₹ 3
	Jan 4	600 units	₹ 4
	Jan 10	700 units	₹ 4
	Jan 20	300 units	₹ 5

(B)	Date 2025	Issue (units)
	Jan 6	500
	Jan 15	800
	Jan 29	100

Ascertain the quantity and value of closing stock as on 31st January using the following methods -

- (i) First in, First out (FIFO)
 - (ii) Last in, First out (LIFO)
3. Define overheads. Distinguish between office, selling and distribution expenses (overheads) giving four examples of each.
 4. A company has annual fixed costs of ₹ 2,52,000. In 2024, sales amounted to ₹ 10,80,000 as compared to ₹ 8,10,000 in 2023 and Profit in 2024 was ₹ 75,600 higher than that in 2023.
Calculate -
 - (A) Break even sales (in ₹) for the company.
 - (B) Profit/Loss on an estimated sales of ₹ 14,40,000 and
 - (C) If sales price falls by 10% in 2024 and if the company wants to earn same profit as in 2023, what should be the sales?
 5. What are the different methods of calculating profit on an incomplete contract? Explain giving suitable example.
 6. Discuss the nature and scope of Management Accounting.
 7. Write short notes on following -
 - (A) Activity based costing
 - (B) Cost sheet
 8. During one week a workman x manufactured 200 articles. He received wages for a guaranteed 44 hours week at the rate of ₹ 1.50 per hour. The estimated time to produce one article is 15 minutes and under incentive schemes the time allowed is increased by 20%. Calculate his gross wages using the following methods -
 - (A) Time Rate
 - (B) Rowan Premium Plan
 - (C) Halsey Plan (bonus @ 50% to workman)
 9. What is a Production Account? How is it prepared?

