

A
(21119)

Roll No.

Total Questions : 13]

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B.B.A. Vth Semester Examination, Nov., 2019

**COST AND MANAGEMENT
ACCOUNTING**

(BBA-503)

Time : 3 Hrs.]

[M.M. : 75

Note :- Attempt questions from all Sections as per instructions.

Section-A

(Very Short Answer Type Questions) 3x5=15

Note :- Attempt all the five questions. Each question carries 3 marks. Very short answer is required not exceeding 75 words.

1. What do you mean by Indirect Expenses ?
2. What do you mean by Differential Piece Rate System ?

ND-191

(1)

Turn Over

3. What is work in progress ?
4. Write any two functions of Management Accounting.
5. What do you mean by Marginal Costing ?

Section-B

(Short Answer Type Questions) 7½x2=15

Note :- Attempt any two questions. Each question carries 7½ marks. Short answer is required not exceeding 200 words.

6. S. Ltd. manufactures product 'TRINCO'. The figures given below relate to six months ending 30th June, 2017 and to the following six months ending 31st Dec., 2017 :

Units of 'TRINCO'	30th June, 2017	31st Dec., 2017
Produced	30,000	8,000
Sold	15,000	23,000
Variable cost per unit	₹ 1.00	₹ 1.00
Fixed cost	₹ 25,000	₹ 25,000

The selling price has been fixed at 2.50 per unit.

You are required to show profit and loss are by marginal approach.

ND-191

(2)

- 7. What do you mean by Apportionment and Absorption of Overheads ?
- 8. Define the term 'Cost Sheet'.

Section-C

(Long Answer Type Questions) 15×3=45

Note :- Attempt any *three* questions. Each question carries 15 marks. Answer is required in detail.

- 9. What do you understand by the term 'Cost' ? Explain the different elements of Cost.
- 10. A worker takes 9 hours to complete a job on daily wages and 6 hours on a scheme of payment by results. His day rate is ₹ 1.50 an hour. The material cost of the product is ₹ 4. Overheads are recovered at 150% of the total direct wages. Calculate the factory cost of the product under :
 - (i) Piece Work Plan
 - (ii) Halsey Plan
 - (iii) Rowan Plan
- 11. What are Cost Sheets ? What are their advantages ? How do they differ from a cost account ?
- 12. Give an account of the evolution of management accounting as a separate branch of accounting.

- 13. Bhaita Ltd. manufactures three components the cost of which is as follows :

Elements of Cost	Components		
	A (₹)	B (₹)	C (₹)
Direct Material	10	8	12
Direct Labour	8	4	5
Variable Overhead	2	4	3
Fixed Overhead	5	2	10
Total cost	25	18	30
Output per machine hour (units)	1	2	3

The key factor is a shortage of machine capacity.

You are to present a report to the management of the company showing whether it should continue to manufacture these components (which are used in its main product) or whether it should buy them from a supplier, who has quoted the following prices : A = ₹ 30, B = ₹ 15, C = ₹ 25.