

13. The following figures relate to two jobs of

Rahul Ltd:

	Job No.1	Job No.1
Direct Materials	8,000	6000
Direct Labour	10,000	8,000
Direct Expenses	2,000	2,000

Works on cost is 50% on Prime cost and office on cost is 50% on labour. Find out the total cost of each Job.

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Roll No.....

BBA-V Sem.

18064

**BBA Examination, Dec. 2016**

**Cost and Management Accounting**

**(BBA-503)**

**(New)**

*Time : Three Hours ]*

*[Maximum Marks : 75*

**Note :** Attempt **all** the sections as per instructions.

**Section-A**

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

1. What is cost of production?
2. Distinguish between direct and indirect materials.

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3. What is a daily log sheet?
4. What is non-monetary incentive?
5. What is marginal costing?

### Section-B

**Note :** Attempt any **two** questions out of the following three questions. Each question carries **7½** marks. Short answer is required not exceeding 200 words.

6. Difference between overhead distribution and allocation.
7. Give the method of calculation of wages under Rowan Premium Plan.
8. Differentiate between variable and semi-variable overheads.

### Section-C

**Note :** Attempt **three** questions out of the following five questions. Each question carries 15 marks. Answer is required in detail.

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9. What is meant by Cost Accounting? Explain its objectives and limitations.
10. What do you mean by Element of Cost? Explain clearly the element of total cost.
11. What do you mean by Management Accounting? Discuss its nature and scope.
12. A furniture company manufactures stools, chairs and tables. The materials and wages cost per unit of furniture are given below:

	Stools	Chairs	Tables
Materials	18	30	220
Wages	24	20	60

The factory overheads during the month were Rs. 36,000. You are asked to determine the factory cost of each type of furniture after assuming that 1 table is equivalent to 4 stools and 2 chairs are equivalent to 1 table for the purpose of factory overhead allocation. The production in the month of April was stools 600, chairs 300 and tables 60.

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11. Differentiate between 'Management Accounting' and 'Cost Accounting'.

12. Mohit Ltd. manufacture an item 'Gemini'. The figures given below relate to six months ending June 30, 2014 and Dec. 31, 2014:

	Six months to June 30, 2014	Six months to Dec. 31, 2014
Units produced	30,000	8,000
Units sold	15,000	23,000
Variable cost per unit	₹ 2	₹ 2
Fixed cost	₹ 50,000	₹ 50,000

Normal production capacity per annum:

Production	1,00,000 units
Variable costs	₹ 2 per unit
Fixed costs	₹ 1,00,000 (₹ 1 p.u.)

Selling price is ₹ 5 per unit. There was no stock at the beginning of the year. You are required to calculate profit for each six months according to (a) marginal costing and (b) absorption costing.

13. Describe the uses of 'Marginal Costing' in managerial decisions.

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BBA-V Sem.

Roll No. ....

18064

B. B. A. Examination, Dec. 2017

Cost and Management Accounting

(BBA-503)

(New)

Time : Three Hours]

[Maximum Marks : 75

Note: Attempt questions from all Sections as per instructions.

Section-A

(Very Short Answer Questions)

Attempt all the five questions. Each question carries 3 marks. Very short answer is required not exceeding 75 words. 3×5=15

1. What do you mean by variable cost?
2. Explain 'Halsey Premium Plan' in brief.
3. What do you mean by over-absorption of overheads?
4. What is absorption costing?

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(2)

5. What is margin of safety?

### Section-B

#### (Short Answer Questions)

Attempt any *two* questions out of the following three questions. Each question carries  $7\frac{1}{2}$  marks. Short answer is required not exceeding 200 words.  $7\frac{1}{2} \times 2 = 15$

6. Distinguish between 'direct labour' and 'indirect labour' with suitable examples.
7. Write down the scope of 'Management Accounting'.
8. For the year 2014, the position of X Ltd. was as follows:

	₹
Sales	60,000
Variable expenses	48,000
Gross profit	12,000
Fixed expenses	8,000
Net profit	4,000

Find out P/V ratio and B.E.P.

### Section-C

#### (Detailed Answer Questions)

Attempt any *three* questions out of the following five questions. Each question carries 15 marks. Answer is required in detail.  $15 \times 3 = 45$

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9. In a factory the standard output is 48 units per week for a working period of 48 hours. The hourly rate is ₹ 2. Three workers A, B & C produce 42 units, 48 units and 72 units respectively in a particular week. Find out the earnings of each worker under the Halsey system of wage payment.

10. The following figures have been taken from the costing department of a manufacture who produces bicycles of a uniform size and quality for the year ending Dec. 31, 2014:

	₹
Stock of finished goods as on 01.01.2014	3,000
Stock of Raw materials as on 01.01.2014	20,000
Stock of finished goods as on 31.12.2014	1,000
Stock of Raw materials as on 31.12.2014	2,000
Materials purchased	36,000
Direct wages	12,000
Factory overheads	22,000
Sales of finished goods	1,08,000

The number of bicycles produced during the year was 500. Prepare a statement showing the total cost and price to be quoted for 300 bicycles which are of uniform size and quality to realize the same percentage of profit as was realized during the year 2014.



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Stock of raw materials on 31.12.2016	4,000
Materials purchased	72,000
Direct wages	24,000
Factory overheads	44,000
Sales of finished goods	2,16,000

The number of bicycles produced during the year was 500.

Prepare a statement showing the total cost and profit earned during the year.

13. A firm purchased a plant to manufacture a new product, the cost data for which is given below :

Estimated annual sales 24,000 units

Estimated costs :

Materials	₹ 4 per unit
Direct labour	₹ 0.60 per unit
Factory overheads	₹ 24,000 p. a.
Administrative overheads	₹ 28,800 p. a.
Selling overheads	15% on sales

Calculate the selling price, if profit per unit is ₹ 1.02 and prepare the cost sheet of the product.

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BBA-V Sem.

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B. B. A. Examination, Dec. 2018

Cost & Management Accounting

(BBA-503)

(New)

Time : Three Hours]

[Maximum Marks : 75

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

### Section-A

#### (Very Short Answer Questions)

Attempt all the *five* questions. Each question carries 3 marks. Very short answer is required not exceeding 75 words.  $3 \times 5 = 15$

1. What is prime cost ?
2. Name the different methods of absorption of factory overheads.



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3. What is cost of goods sold ?
4. Distinguish between marginal cost and variable cost.
5. What do you mean by ABC analysis ?

### Section-B

#### (Short Answer Questions)

Attempt any *two* questions out of the following three questions. Each question carries  $7\frac{1}{2}$  marks. Short answer is required not exceeding 200 words.

$7\frac{1}{2} \times 2 = 15$

6. Write a note on classification of cost.
7. What are LIFO and FIFO methods in materials accounting ?
8. Calculate the total earnings of a worker under Halsey Bonus Plan. (Bonus is 50%) :  
Standard time — 25 hours  
Actual time — 20 hours  
Wage rate — ₹ 15 per hour

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### Section-C

#### (Detailed Answer Questions)

Attempt any *three* questions out of the following five questions. Each question carries 15 marks. Answer is required in detail.  $15 \times 3 = 45$

9. What is an incentive plan for wage payment ? Discuss its importance. Distinguish between Halsey and Rowan system of wage payment.
10. Distinguish between a cost sheet and statement of cost. How a cost sheet helps in finding out tender price ? Give a specimen of cost sheet.
11. Define Cost Accounting. Discuss its significance to the management. How does it differ from Financial Accounting ?
12. The following figures have been taken from the Costing Department of Hind Bicycles Ltd. for the year ending on 31st Dec., 2016 :  
₹  
Stock of finished goods on 01.01.2016 6,000  
Stock of raw materials on 01.01.2016 40,000  
Stock of finished goods on 31.12.2016 2,000

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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.

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Total Questions : 13 ]

[ Printed Pages : 4

**18064**

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) 3×5=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 ?

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( 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)  $7\frac{1}{2} \times 2 = 15$

**Note :-** Attempt any *two* questions. Each question carries  $7\frac{1}{2}$  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.

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( 2 )

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

#### Section-C

(Long Answer Type Questions)  $15 \times 3 = 45$

**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.

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( 3 )

Turn Over



### Section-B

#### (Short Answer Questions)

**Note :** Attempt any **two** questions out of the following three questions. Each question carries  $7\frac{1}{2}$  marks. Short answer is required not exceeding 200 words.  $7\frac{1}{2} \times 2 = 15$

6. Differentiate Financial Accounting and Cost Accounting.
7. What is meant by overhead classification?
8. Calculate the cost of materials consumed

	₹
Opening Stock of materials	12,000
Materials purchased	60,000
Carriage inward for materials	100
Defective materials returned to suppliers at cost	1200
Closing stock of materials	41,500

### Section-C

#### (Detailed Answer Questions)

**Note :** Attempt any **three** questions out of the following **five** questions. Each question carries 15 marks. Answer is required in detail.  $15 \times 3 = 45$

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9. Tabulate the 'Elements of Cost' showing the usual items of expenditure pertaining the each.

10. From the following data

- (a) Calculate the labour hour rate of a worker-

Basic Pay per month ₹4,000

Dearness Allowance per month ₹3,000

Other Allowances per month ₹3,000

No. of working days in a year ₹300

30 days full pay and 20 days half pay leave in a year is available and allowed. Working hours per day are 8.

- (b) What would be the labour cost per hour if half pay leave is not availed of during the year.

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**18064 (CV-III)**

**B.B.A. Examination, Dec.-2021**

**Cost and Management Accounting**

**(BBA-503)**

*Time : 1½ Hours ]*

*[Maximum Marks : 75*

**Note :** Attempt questions from **all** sections  
as per instructions.

**Section - A**

**(Very Short Answer Type Questions)**

**Note :** Attempt any **two** questions. Each  
question carries 7.5 marks. Very short

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2. Explain the FIFO method of pricing the material?
3. Give four examples of factory overheads.
4. Define Management Accounting.
5. What is contribution?

### Section - B

#### (Short Answer Type Questions)

**Note :** Attempt any **one** question. Each question carries 15 marks. Short answer is required not exceeding 200 words.  $1 \times 15 = 15$

6. Distinguish between marginal costing and Absorption costing?
7. What is Cost Accounting? Make a difference between Cost Accounting and Financial Accounting?

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8. In an industry the estimated costs are direct materials ₹ 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 materials cost ₹ 1,000 direct wages ₹ 600 and direct Exps ₹ 400 and if the factory overheads are charged on the basis of:

- (a) direct material
- (b) direct wages

### Section - C

#### (Long Answer Type Questions)

**Note :** Attempt any **two** questions. Each question carries 22.5 marks. Answer is required in detail.  $22.5 \times 2 = 45$

9. What do you mean by 'Elements of cost'? Explain different elements of cost.

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P.T.O.



10. How does management accounting differ from financial accounting? Explain the utility of management accounting in business management?
11. What wages will a workman receive under Halsey Plan and Rowan Plan if he executes a piece of work in 60 hours as against 75 hours allowed? His hourly rate is ₹ 5 and he is paid 50% of the time saved under Halsey plan. He gets a dearness allowance of ₹ 4 per day of 8 hours worked in addition to his wages. Also calculate the effective rate of earning per hour.
12. You received the following information from cost records of a manufacturing Company. Find out the total cost and cost per unit of goods manufactured in the month of

18064(CV-III)/4

January 2020	₹
Stock of Raw material (1-1-20)	4,800
Purchase of Raw material	41,000
Stock of Raw material (31-1-20)	3,200
Manufacturing wages	8,400
Loss on sale of a part of plant	550
Depreciation on plant	2,300
Factory Rent and taxes	2200
Office Rent	1,200
General Expl.	900
Discount on sales	448
Advertisement Expt.	784
Income Tax	3,800
The number of units produced during January 2020 was 3,000. The stock of finished goods was 200 and 400 units on 1-1-20 and 31-1-20. The total cost of the units on hand on 1-1-20 was ₹ 4,200.	

18064(CV-III)/5

P.T.O.



13. A factory annually manufactures 10,000 units of a product at a cost of sales of ₹ 4 per unit and there is a home market for consuming the entire volume of production at the sales price of ₹ 4.25 per unit. In certain year there is a fall in the demand in the home market which can consume 10,000 units only at a sale price of ₹ 3.72 per unit. The analysis of cost of sales for the 10,000 units is:

	₹
Material	15,000
Wages	11,000
Fixed overheads	8,000
Variable overheads	6,000

The foreign market is explored and it is found that this market can consume 20,000 units of the product if offered at

18064(CV-III)/6

a sale price of ₹ 3.55 per unit. It is also discovered that for additional 10,000 units of product (over the initial 10,000 units) the fixed overheads will increase by 10%. Is it worthwhile to try to capture the foreign market?

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