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Total No. of Pages :03

Total No. of Questions : 09

BRDM / B.SIM (2014 & Onwards) / BBA (2014 to 2017)

B.Sc. Business Economics (BBE) (2015 to 2017)

(Sem.-3)

COST ACCOUNTING

Subject Code : BBA-303

M.Code : 70624

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTION TO CANDIDATES:

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. SECTION-B consists of FOUR Sub-sections : Units-I, II, III & IV.
3. Each Sub-section contains TWO questions each, carrying TEN marks each.
4. Student has to attempt any ONE question from each Sub-section.

SECTION-A

1. Write short note on the following in 2-5 lines :
 - a. Explain three limitations of financial accounting.
 - b. What is break-even-point?
 - c. How standard costing differ from budgetary control?
 - d. Define P/V ratio .
 - e. Discuss in detail benefits of marginal costing.
 - f. Define trend analysis.
 - g. Discuss the significance of debt equity ratio.
 - h. What do you mean by cash flow statement?
 - i. How will you calculate cash from operation?
 - j. Define idle time.

SECTION-B

UNIT-I

2. Define cost accounting. Discuss in detail objectives, advantages and disadvantages of cost accounting.
3. Discuss in detail with the help of example methods of wage payment.

UNIT-II

4. A Company producing two products X and Y faces the problem of labour shortage. Maximum labour hours available in a month are 10,000 hours. The following other information is available :

	<u>Product X (Rs.)</u>	<u>Product Y (Rs.)</u>
Material Cost	6.00	6.00
Direct Labour Cost		
10 hours @ Re 1.00	10.00	
5 hours @ Re 1.00		5.00
Variable Overheads	4.00	2.00
Fixed overheads	5,000	5,000
Selling price	30.00	20.00

Show which product is more profitable. Give proof in support of your answer.

5. Define overhead. Discuss in detail classification, absorption and apportionment of overheads.

UNIT-III

6. The following data is obtained from the books of manufacturing concern :

	Men	Women
Number in the standard gang	24	14
Standard rate per hour	Rs. 8	Rs. 7
Number in the actual gang	18	16
Actual rate per hour	Rs. 9	Rs. 6

During a week , 2 hour were lost due to power failure and work was actually done for 40 hours. Calculate labour mix variance and idle time variance.

7. Define the concept of budgetary control. Discuss in detail objectives of budgetary control and essentials of an effective budgetary control system. How to prepare sales budget explain with the help of example. Describe the advantages and disadvantages of budgetary control. Discuss in detail zero base budgeting.

UNIT-IV

8. What is the purpose of ratio analysis? Explain with the help of example activity, current and growth ratios.
9. From the following information explains how absorption costing differ from marginal costing, which technique is better in the short period and why ?

Normal level of production	2600 units per period
Sale price	Rs 10 per unit
Variable cost	Rs 6 per unit
Fixed cost	Rs 3 per unit
Total Fixed cost	Rs 7800

Information relating to the production and sales

	Period-I	Period-II	Period-III	Period-IV
Opening stock(units)	-	- 3000	500 2500	200 3000
Production (units)	2600	2500 500	2800 200	3200 -
Sales (units)	2600			
Closing stock(units)				

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.