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(21223) Roll No.
B.B.A. - V Sem.

O18064

B.B.A. Examination, Dec.-2023

Cost and Management Accounting
(BBA-503)
(Old Course)

Time : Three Hours / [Maximum Marks : 75]

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

Section - A

(Very Short Answer Type Questions)

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

$3 \times 5 = 15$

1. Suggest suitable costing methods for the following industries :
 - (a) Telephone
 - (b) Cotton textiles
 - (c) Hospital
 - (d) Aluminium.

P.T.O.

2. What is machine hour rate?
3. Explain production Account?
4. Explain the scope of Management Accounting.
5. Explain some limitations of marginal costing.

Section - B

(Short Answer Type Questions)

Note : Attempt any **two** questions out of the following three questions. Each question carries 7.5 marks. Short answer is required not exceeding 200 words. $7.5 \times 2 = 15$

6. Distinguish between Perpetual Inventory system and continuous stock taking?
7. Distinguish between variable overheads and fixed overheads?
8. Compute the total earnings under Halsey and Rowan schemes from the following information?
Standard Time - 20 hours
Hourly rate of wages - ₹ 2
Actual Time Taken - 16 hours.

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Section - C

(Long Answer Type Questions)

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

9. What is Cost Accounting. Explain the nature and scope of Cost Accounting. 15
10. Explain with suitable examples the following methods of pricing issue of materials :
- (a) FIFO
- (b) LIFO
11. How does management accounting differ from financial accounting. What are the limitations of management accounting?
12. Your company has a production capacity of 2,00,000 units per year. Normal capacity utilisation is 90%. Standard variable costs are ₹ 11 per unit. Fixed cost are ₹ 360000 per year. Variable selling costs are Rs. 3 per unit and fixed selling cost are ₹ 270000 per year. Selling price is ₹ 20 per unit. In the year ended June 30, 2022 the production was 1,60,000 units and sales were 1,50,000 units. The closing inventory was 20000 units.

The actual variable production costs for the year were ₹ 35000 higher than the standard.

Calculate profit for the year

- (a) By Absorption costing method and
- (b) By marginal costing method.
- Opening stock in absorption costing may be valued at ₹ 13 per unit.

13. A concern manufactures three types of Fan-table Fan, ceiling fan and room-cooler, their costs are as follows :

	Table Fan ₹	Ceiling Fan ₹	Room cooler ₹
Materials	20 each	25 each	125 each
Wages	40 each	60 each	170 each

Factory overheads ₹ 30000

Office overheads ₹ 10000

Selling & Distribution overhead ₹ 15000

Calculate Total cost if the basis for apportionment of overhead being : one ceiling fan is equal to two table fans and one Room-Cooler is equal to five Table fans. Production is as follows :

Table fan 250, Ceiling fan 125 and Room-cooler 25.