



POORNIMA UNIVERSITY, JAIPUR.
MID SEMESTER EXAMINATION 2020-21 (ODD Semester)

School : School of Management & Commerce
Course : II Year III SEM – BBA (All SPL)
Subject Name : Cost and Management Accounts
Subject Code : BBX03102_BBB03102_BBC03102

Max. Time: 1.5 hrs.

Max. Marks: 12

NOTE:- Attempt four questions. There is internal choice in Q. 1 & 2, Q. 3 & 4,

Sec-A (CO 3) (Max. Marks-6)

- Q.1** A ltd. has prepared sales budget for first five months of 2020. **Marks (6)**
Jan- 10800 units , feb- 15600 units, march – 12200 units, april – 10400 units, May- 9800 units.
Finished stock at the end of every month is to be equal to 25% of sales estimate for the next month.
On 1st jan. 2020 , there were 2700 units in hand .
Every unit of product requires two types of materials in the following quantities:-
Material A- 4 kg, Material B- 5Kg.
Material equal to one half of the requirement of next month's production are to be in hand at the end of every month. This requirement was met on 1st Jan. 2020.
Prepare- Production Budget(quantitative) and Material Purchase Budget (Quantitative).

OR

- Q.2 (a)** Explain Zero base budgeting .What is its Advantage and limitations? **(3)**
- (b)** Answer the following- **(3)**
(i) In a flexible budget format , the depreciation at the output level of 4500 units is Rs. 12000, what will be the depreciation per unit at 5000 unit level ? Show workings.
(ii) fill in the blanks-
(a)----- budget is a summary budget incorporating functional budgets .
(b) Flexible budget recognizes the difference between -----and -----.
(c) Generally the production budget is based upon -----.
(d) The method of budgeting whereby all activities are re-evaluated each time a budget is formulated is regarded as -----.

Sec-B (CO 4) (Max. Marks-6)

- Q.3** Standard cost per 1000 kg of product X is as under- **(6)**

Material	Qty. (kg)	Price (rs.)
A	800	2.5
B	200	4.0
C	200	1.0

In March 2020 , the company produced 200000 kg of output. Actual consumption was:
A- 157000KG @ Rs. 2.4
B- 38000 kg @ Rs. 4.2
C- 36000 kg @ 1.1
Calculate all Material Variances.

OR

- Q.4 (a)** Alag Ltd. furnishes the following information: **(3)**
- | | | |
|------------------|--------------------------------------|--------------|
| <i>Standard:</i> | Material for 70 kg finished products | 100 kg. |
| | Price of material | ` 1 per kg. |
| <i>Actual:</i> | Output | 2,10,000 kg. |
| | Material used | 2,80,000 kg. |
| | Cost of Materials | ` 2,52,000 |
- CALCULATE:** (a) Material usage variance, (b) Material price variance, (c) Material cost variance.

- (b)** What do you mean by standard costing ? What are the reasons of Various (each component) material variances. Explain with example . **(3)**
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