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(21218)

Roll No.

BBA-V Sem.

18064

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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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.