

U.G. 3rd Semester Examination - 2021**BBA****Course Code : BBBACCHT302****Course Title : Cost and Management Accounting**

Full Marks : 40

Time : 2 Hours

*The figures in the right-hand margin indicate marks.**Candidates are required to give their answers in their own words as far as practicable.*1. Answer any **ten** questions of the following:

1×10=10

- a) What is Costing?
- b) What do you mean by 'Sunk Cost'?
- c) Name two tools and techniques of Management accounting.
- d) What is Imputed Cost?
- e) Name the various types of Standards.
- f) What is Cost Allocation?
- g) What is service cost centre?
- h) What will be the impact on break-even point if variable cost increases?

- i) What will be the impact on margin of safety if profit-volume ratio increases?
- j) What is profit centre?
- k) What is Budget Manual?
- l) What is flexible budget?
- m) Name various types of Budget.
- n) What is contribution?
- o) What is ideal standard?

2. Answer any **five** of the following questions:

2×5=10

- a) State two objectives of Cost Accounting.
- b) State two advantages of Budgetary Control.
- c) State two limitations of Standard Costing.
- d) Mention two assumptions of 'cost-volume-profit analysis'.
- e) What is 'Angle of Incidence'?
- f) What do you mean by Cash Budget?
- g) What are the techniques of standard costing?
- h) What do you mean by Cost apportionment?

3. Answer any **two** of the following: $5 \times 2 = 10$

a) Distinguish between:

- i) Cost Unit and Cost Centre and
- ii) Direct Materials and Indirect Materials

b) In the following particulars prepare Cost sheet showing profit or loss for the Year ended 31.12.2016:

	Opening stock(Rs)	Closing stock(Rs)
Raw materials	12550	10910
Finished goods	6600	7200
Work in progress	13660	14500
Purchase of Raw Materials	Rs.225500	
Productive Wages	Rs.112000	
Selling overhead	Rs.40000	
Sales	Rs.592250	
Factory Overhead	Rs.87600	
Chargeable expenses	Rs.15200	
Office and Administration Overhead	Rs.34500	

c) Distinguish between Marginal Costing and Absorption Costing.

4. Answer any **one** of the following: $10 \times 1 = 10$

a) From the following particulars calculate (i) Material cost variance, (ii) Material usage variance, and (iii) Material price variance:

Quantity of material purchased	3000 units
Value of Material purchased	Rs.9000
Standard quantity of material required per tonne of finished product	25 units
Standard rate of material	Rs.2 per unit
Opening stock of material	nil
Closing stock of material	500 units
Finished production during the period	80 tons
	4+3+3

b) Assuming that the cost structure and selling prices remain the same in periods I and II, find out:

- i) Profit Volume Ratio;
- ii) Break Even Point for Sales;
- iii) Profit when sales are of Rs.1,00,000
- iv) Sales required to earn a profit of Rs.20,000;

- v) Variable cost in period II; and
- vi) Sales to earn a profit of 10% on sales.

Period	Sales (Rs.)	Profit (Rs.)
I	1,20,000	9,000
II	1,40,000	13,000

$$1\frac{1}{2}+2+1\frac{1}{2}+1\frac{1}{2}+2+1\frac{1}{2}$$

- c) Discuss the areas of similarities between management accounting and financial accounting.
