



BBK-19MBA206

Seat No. _____

M. B. A. (Sem. II) (CBCS) Examination

July – 2021

Cost and Management Accounting

Time : $2\frac{1}{2}$ Hours]

[Total Marks : **70**

- Instructions :** (1) Answer any five questions out of ten.
(2) All question carry equal mark

- 1 Define Managerial Accounting. Discuss Scope and Tools of Managerial accounting
- 2 From the following information, prepare the cost sheet showing following details
- (1) Raw material consumed
 - (2) Prime cost
 - (3) Factory cost
 - (4) Cost of production
 - (5) Total cost
 - (6) Net profit

Particulars	Amt (Rs.)
– Opening stock of raw materials	20000
– Opening stock of finished goods	5000
– Purchase of raw materials	50000
– Carriage inward	1000
– Carriage outward	3000
– Direct wages	30000
– Indirect wages	15000
– Advertisement expenses	63000
– Sales	200000
– Consumption of power	1000
– Salary	11000
– Rent - taxes	1000

– Commission of agent	5000
– Travelling expenses	1000
– Maintenance expenses of machine	4000
– Miscellaneous expenses of factory	1000
– Miscellaneous expenses of office	2000
– Cost on machine	2000
– Building repairing expenses	1000
– Depreciation on machine	2000
– Depreciation on building	1000
– Closing stock of raw materials	20000
– Closing stock of finished goods	3000

Note : 9/10 portion building occupied for factory and 1/10 portion building occupied for office. 9/10 portion of rent and taxes is to be allocated for factory and 1/10 portion for office.

- 3 A shop floor supervisor of a small factory presented the following cost for job no. 300 to determine the selling price

	Per unit Rs.
Materials	70.00
Direct wages	
Dept. x 8 hrs @ Rs. 2.50	
Dept. y 6 hrs @ Rs. 2.50	
Dept. z 4hrs @ Rs. 2.50	45.00
Special store expenses :	05.00

Direct wages :	Work o/h
Department X 10000	Department X 5000
Department Y 12000	Department Y 9000
Department Z 8000	Department Z 2000

Selling o/h 10% on work cost

Add 20% to total cost to determine the selling price

- 4 What is budgetary control? Also discuss the advantages and limitation of Budgetary Control.

- 5 The particulars are obtained from records of a manufacturing company for two levels of activity

Particulars	60%	100%
Raw material	9000	15000
Direct labour	6000	10000
Indirect wages	3000	5000
Repair and maintenance	6500	9500
Power	3750	5750
Rent	12000	12000
Depreciation	10000	10000
Insurance	6000	6000
Administrative overheads	10000	14000
Selling overheads	6000	4000

Total production at 100% capacity is 5000 units. Prepare a flexible budget 70%, 80% 90% capacity.

- 6 From the following information, find out (1) MPV (2) MCV (3) MUV (4) MMV (5) MSUV.

Standard			Actual	
Material	quantity	Per unit	Quantity	Per unit
A	3500	10	3700	12
B	1500	21	1650	20
C	1000	33	1250	36

- 7 The following information is obtained from SAC co. Ltd

Particular	2020	2021
Sales	450000	540000
Profit/ Loss	45000	67500

Calculate : (1) Profit Volume Ratio (2) Break Even Point (3) Fixed expense (4) Margin of safety for both year (5) profit or loss when sale is Rs. 585000 (6) sales required to obtained profit of Rs. 97500 (7) profit or loss when sale is Rs. 425000

- 8 Write a short note on : (Any Two)
- (1) Fixed budget
 - (2) Cost Reduction
 - (3) Profit volume ratio and Breakeven point
- 9 What is process costing? Discuss the advantages and limitation of process costing.
- 10 What is cost? Discuss the concept and classification of cost.
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