

<b>Seat No.</b>	
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**B.B.A (Part - II) (Semester - III) Examination, November - 2015**  
**COST AND MANAGEMENT ACCOUNTING (Paper - I)**  
**Sub. Code : 43937**

**Day and Date : Thursday, 19 - 11 - 2015****Total Marks : 40****Time : 12.00 noon.to 2.00 p.m.**

- Instructions :**
- 1) All questions are compulsory.
  - 2) Figures to the right indicate full marks.

**Q1)** Company A and company B, both under the same management, make and sell the same type of product. Following information is provided.

Particulars	Company A	Company B
Sales	300000	300000
Variable cost	240000	200000
Fixed cost	30000	70000
Profit	30000	30000

You are required to calculate:

- a) Break even point for each company
- b) Sales volume to earn a profit of Rs. 10000 for each company.
- c) Profit or loss when-sales are Rs. 5,00,000 for both the company's.[14]

**OR**

Explain the concept of Marginal costing and state the various decisions taken with the help of marginal costing Analysis.

**P.T.O.**

Q2) Solve Any Two.

- Distinguish between Management Accounting and financial Accounting.
- What do you mean by standard costing? Write the advantages and limitations of standard costing system.
- 'X' Ltd. is considering the purchase of a new machine. Two alternatives are available having cost price Rs.200000 each. The following inflows are expected during the five years.

Year	Machine A	Machine B
1	20000	60000
2	60000	80000
3	80000	100000
4	120000	60000
5	80000	40000

The company is expecting 10% return on its capital. The net present value of Re1 @ 10% are as under:

Year	1	2	3	4	5
P.V.factor	0.909	0.826	0.751	0.683	0.620

You are required to appraise the proposal on the basis of -  
payback period

Net present value method

Profitability Index method.

- What is Break even Analysis ? State the assumptions of Break even point Analysis.

Q3) Write short Notes (Any two).

[2 × 5 = 10]

- Functions of Management Accounting
- Master Budget
- Setting of standards
- Objectives of Budgetary control

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