

Seat No.	
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B.B.A. (Part - II) (Semester - III) Examination, October - 2016
COST AND MANAGEMENT ACCOUNTING (Paper - I)
Sub. Code : 43937

Day and Date : Tuesday, 25-10-2016**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) What is Management Accounting? Distinguish between Cost Accounting & Management accounting. [14]

OR

From the following data forecast the cash position at the end of April, May and June 2008.

Month	Sale (Rs)	Purchases(Rs)	Wages (Rs)	Miscellaneous(Rs.)
February	60,000	42,000	5,000	3,500
March	65,000	50,000	6,000	4,000
April	40,000	52,000	4,000	3,000
May	58,000	53,000	5,000	6,000
June	44,000	40,000	4,000	3,000

Additional Information:

- a) Sales : 10% realized in the month of sales, balance realized equally in two subsequent months.
- b) Purchases : these are paid in the month following the month of supply.
- c) Wages : 10% paid in arrears following month.
- d) Miscellaneous expenses : paid a month in arrears.
- e) Rent : Rs.1500 per month paid quarterly in advance due in April.
- f) Income Tax : first installment of advance tax Rs. 15,000 due on or before 15th June.
- g) Income from investment Rs. 3,000 received quarterly in April, July.
- h) Cash in hand : Rs. 3,000 on 1st April 2008.

P.T.O.

Q2) Write short Answers (Any two)

- a) Two companies P ltd. & Q ltd. Produce & sell the same type of product in the same market. For the year ended 31-03-2010

Particulars	P ltd.	Q ltd.
	Rs.	Rs.
Sales	3,00,000	3,00,000
Less : -		
Variable cost	2,00,000	2,25,000
Fixed cost	50,000	25,000
Estimated profit	50,000	50,000

Your are required to calculate:-

Profit volume ratio (P/V ratio), breakeven point & Margin of safety of each business.

- b) A project of Rs. 5 lakhs & scrap value of Rs. 10,000. The net profit before depreciation & tax for the 5 year are expected to be

Year	Cash flow before tax & depreciation
1	1,00,000
2	1,20,000
3	1,40,000
4	1,60,000
5	2,00,000

You are required to calculate payback period assuming 50% rate of tax & depreciation on straight line method.

- c) What is Marginal Costing? Explain the term Contribution, P/V ratio, BEP, Margin of safety.
- d) What is Budgetary Control? Explain the steps in budgetary Control.

Q3) Write Short Notes (Any Two)

- a) Standard Costing.
- b) Master Budget.
- c) Pay Back Period.
- d) Objectives of Budgetary.

