

Seat No.	
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B.B.A. (Part - II) (Semester - III) Examination, April - 2014
COST AND MANAGEMENT ACCOUNTING (Paper - I)
Sub. Code : 43937

Day and Date : Friday, 04 - 04 - 2014
Time : 3.00 p.m. to 5.00 p.m.

Total Marks : 40

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

Q1) A company is expecting to have Rs.25000 cash in hand on April 2012 and it requires you to prepare as estimate of cash position during the three months, April to June 2012. The following information is supplied to you. [14]

<u>Months</u>	<u>Sales</u>	<u>Purchases</u>	<u>Wages</u>	<u>Expenses</u>
Feb	Rs.70,000	Rs.40,000	Rs.8,000	Rs.6,000
March	80,000	50,000	8,000	7,000
April	92,000	52,000	9,000	7,000
May	1,00,000	60,000	10,000	8,000
June	1,20,000	55,000	12,000	9,000

Other information

- a) Period of credit allowed by suppliers: two months.
- b) 25% of sales is for cash and the period of credit allowed to customers for credit
Sales : one month.
- c) Delay in payment of wages and expenses: one month.
- d) Income tax Rs.25,000 is to be paid in June 2012.

OR

Define Management Accounting? Discuss the functions & scope of Management Accounting? [14]

Q2) Write Short Answers (2 out of 4) [16]

- a) The Price and cost structure of a product in a company are as follows.

Selling Price	Rs.30 Per Piece
Variable Cost	Rs.9 Per Piece

Fixed cost are :-

Manufacturing	Rs.2,25,000 per annum
Administrating	Rs. 36,000 per annum
Selling	Rs. 39,000 per annum

- i) Compute B.E.P in units
 - ii) Compute B.E.P in value(Rs.)
 - iii) In order to make a profit of Rs.60,000, what should be the level of sales? (In Rs.).
- b) The following information is given in respect of a materials
- | | | |
|-------------------|---|----------------|
| Standard Quantity | : | 1,000 units |
| Actual Quantity | : | 1,040 units |
| Standard Price | : | Rs.20 Per unit |
| Actual Price | : | Rs.22 Per unit |
- Calculate: i) Material Cost Variance
 ii) Material Price Variance
 iii) Material Usage Variance
- c) What are the objectives of Budgetary Control?
 Explain the operation of Budgetary Control?
 - d) Define the term marginal costing and Explain the Basic characteristics of marginal costing.

Q3) Write Short Notes (2 out of 4)

[10]

- a) Write any five differences between Management Accounting and Financial Accounting.
- b) Discuss in brief the advantages of Standard Costing.
- c) Types of Budgets
- d) Explain the term contribution, P.V. ratio & B.E.P.

