

Roll No.

OLE-57521

**BBA 3rd Semester (N.S.) 2014-17
Examination – April, 2021**

COST AND MANAGEMENT ACCOUNTING

Paper : BBAN-301

Time : Three Hours]

[Maximum Marks : 80

Before answering the questions, candidates should ensure that they have been supplied the correct and complete question paper. No complaint in this regard, will be entertained after examination.

Note : Attempt *five* questions in all, selecting *one* question from each Unit. Question No. 1 is *compulsory*. All questions carry equal marks.

1. Write short notes on the following :

- (a) What is costing ?
- (b) Explain minimum and maximum level.
- (c) Explain overtime.
- (d) Batch costing.
- (e) Responsibility centre.

- (f) Financial budgeting.
- (g) Capital budgeting.
- (h) Management accounting.

UNIT – I

2. Differentiate between cost accounting and financial accounting. "Cost Accounting has come to be an essential tool of management." Comment.
3. The Rajesh equipment company estimates its carrying cost at 15% and its ordering cost at Rs. 70 per order. The estimated annual requirement is 84000 units at a price of Rs. 4 per unit.

You have to calculate :

- (i) What is the most economical no. of units to order ?
- (ii) No. of orders to be placed in a year.
- (iii) About how often will an order need to be placed ?

UNIT – II

4. What are the various methods of costing ? Explain all the methods with their application in industries.
5. Discuss the various ways to control wage turnover. What are the various types of ways payment system ? Explain.

UNIT – III

6. Write short notes on :
- (a) PV ratio.
 - (b) Break even point.
 - (c) Margin of safety.
 - (d) Budgeting process
7. What is marginal costing ? How marginal costing helpful for management in decision making ?

UNIT – IV

8. What is capital budgeting ? Why decision of capital budgeting is so important ? Discuss the various capital budgeting techniques.
9. Following information is given by a company from its books of accounts as on March 31, 2015 :

Particulars	₹
Inventory	1,00,000
Total Current Assets	1,60,000
Shareholders' funds	4,00,000
13% Debentures	3,00,000
Current liabilities	1,00,000
Net Profit Before Tax	3,51,000
Cost of revenue from operations	5,00,000

Calculate :

- (a) Current Ratio
 - (b) Liquid Ratio
 - (c) Debt Equity Ratio
 - (d) Interest Coverage Ratio
 - (e) Inventory Turnover Ratio
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