

**TILAK MAHARASHTRA VIDYAPEETH, PUNE**  
**BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)**

CB  
60:40

**EXAMINATION : DECEMBER - 2022**

**SEMESTER - IV**

**Sub. : Cost & Management Accounting (BBA15- 412)**

**Date : 27/12/2022**

**Total Marks : 60**

**Time: 2.00pm to 4.30pm**

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

**Q. 1. Choose the most appropriate option. (05)**

1. A higher P/V ratio indicates ----- profitability
  - a) grater
  - b) slowly
  - c) lower
  - d) none of these
2. Variable cost is also called as -----
  - a) operating cost
  - b) semi variable cost
  - c) marginal cost
  - d) none of these
3. ----- is known as verification of cost accounts adherence to the cost accounting plan.
  - a) statutory audit
  - b) cost audit
  - c) internal audit
  - d) external audit
4. The work cost is ----- plus factory overheads
  - a) prime cost
  - b) cost of sales
  - c) direct expense
  - d) none of these
5. Budget is a ----- of action
  - a) audit
  - b) plan
  - c) cost
  - d) none of these

**Q. 2. State True / False (05)**

1. Salary paid to HR executive is indirect expenses
  - a) true
  - b) false
2. Working capital can be made available by reducing inventories
  - a) true
  - b) false
3. Depreciation is fixed costs
  - a) true
  - b) false
4. Sale - variable cost = Total cost
  - a) True
  - b) False
5. BEP is the point where there is no profit no loss
  - a) True
  - b) False

**Q. 3. Write Short notes on (Any Three) (15)**

1. EOQ
2. Advantages of costing
3. Fixed cost and variable cost
4. Causes of labour turnover
5. Functional wise classification of overhead.

**Q. 4. Answer in detail (Any Two)****(20)**

1. Explain the difference between financial accounting and cost accounting.
2. What is meant by cost audit? Explain important aspects of cost audit
3. Explain budget and budgetary control

**Q. 5. Case study (Any One)****(15)**

1. The accounts of swadeshi manufacturing ltd. for the year ending 31<sup>st</sup> December 2018 shows following.

Particulars	Amount
Stock of material on 1 <sup>st</sup> jan 2018	67200
Material purchased	259000
Bad debts written off	9100
Travelers salaries and commission	10780
Depreciation written off on office furniture	420
Rent, rates, taxes and insurance (factory)	11900
Productive wages	176400
Director fees	8400
General expenses	4760
Gas and water (factory)	1680
Travelling expense	2940
Sales	600000
Manager's salary (2/3 factory, 1/3 office)	15000
Depreciation on plant and machinery	18200
Cash discount allowed	4060
Repairs to plant and machinery	6230
Carriage and cartage outwards	6020
Direct expense	10010
Rent, rates insurance ( office)	2800
Gas and water	560
Stock of materials on 31 <sup>st</sup> December 2018	87920

Prepare the statement giving following information

Material consumed

Prime cost

Factory cost

Office cost

Cost of production

Net profit.

2. From the following information find out
  - 1) P/V ratio
  - 2) Break- even point
  - 3) the profit made when sales are Rs- 500,000Sales Rs- 400000  
Variable cost Rs- 300000  
Fixed cost Rs- 30000