

School of Finance and Commerce

**Bachelor of Commerce Honours
Summer Term Examination – July - August 2024**

**Duration : 180 Minutes
Max Marks : 100**

Sem III - H1UB302T - Cost And Management Accounting

General Instructions

Answer to the specific question asked

Draw neat, labelled diagrams wherever necessary

Approved data hand books are allowed subject to verification by the Invigilator

- 1) Define standard costing. K1(2)
- 2) Distinguish between ratio, proportion and rate with the help of example. K2(4)
- 3) "Management Accounting relies on cost accounting whereas cost accounting do not rely on management accounting" Explain the statement. K2(6)
- 4) SV Ltd, manufacture BXE by mixing three raw material. for every batch of 100 kgs of BXE, 125 kgs of raw material are used. In february 1986, 60 batches were prepared to produce an output of 5,600 Kgs of BXE. The standard and actual particulars for february 1986 are as under: K3(9)

Raw material	Standard		Actual		Quantity of raw material (Purchased) kg (Rs.)
	Mix % kg	price per kg	Mix% kg	price per kg	
A	50	20	60	21	5,000
B	30	10	20	8	2,000
C	20	5	20	6	1,200

Calculate: 1. Material Price Variance
2. Material Usage Variance
3. Material mix Variance
- 5) Explain what are the sources and uses of fund in Fund flow statement. K3(9)
- 6) Comment with the help of example how cost elements are different in different type of industry. K5(10)
- 7) Ratio analysis helps to show whether the firm's position has been improving or deteriorating'. Analyze. K4(12)
- 8) A company is making a loss of Rs. 40,000 and relevant information is as follows: Sales Rs. 1,20,000; Variable Costs Rs. 60,000; Fixed costs Rs. 1,00,000. Loss can be made good either by increasing the sales price or by increasing sales volume. What are Break even sales if (a) Present sales level is maintained and the selling price is increased. (b) If present selling price is maintained and the sales

volume is increased. What would be sales if a profit of Rs. 1,00,000 is required ?

- 9) S. K. Brothers wish to approach the bankers for temporary overdraft facility for the period from October 2010 to December 2010. During the period of this period of these three months, the firm will be manufacturing mostly for stock. You are required to prepare a cash budget for the above period. Table (a) 50% of credit sales are realized in the month following the sales and remaining 50% in the second following. (b) Creditors are paid in the month following the month of purchase (c) Construct cash as on 1/10/2010 is Rs.50,000. K5(15)
- 10) Assess the role management accountant play in decision making process? Discuss the tools and techniques of management accounting which is based on financial accounting data for this purpose? K6(18)