

[12]

**SARDAR PATEL UNIVERSITY**  
**BBA LLB (Hon) Examination, II –Semester**

2017

Monday, 3<sup>rd</sup> April

10:00 A.M. To 12:00 P.M.

**UL02CBBH04: Cost & Management Account**

Total Marks: 50

- Q-1 Define: (i) Direct material (ii) Direct wages (iii) Direct expenses. (06)  
Q-1 Differentiate financial accounting and cost accounting. (06)

OR

- Q-1 Explain the meaning of cost accounting and explain its methods in detail. (12)

- Q-2 Write a notes on:

- A. Cost apportionment. (06)  
B. Economic order quantity. (07)

OR

- Q-2 Calculate the machine hour rate from the following particulars: (13)

Cost of machine	Rs. 11,500
Life of machine	20,000 Hours
Estimated scrap value	Rs. 1,500
Rent of factory (25% place is occupied by this machine)	Rs. 400 per month
Salary of foreman	Rs. 100 per month
Salary of helper	Rs. 50 per month
Lighting expenses (Total points are 16 but 4 points are occupied by this machine)	Rs. 80 per month
Power	Rs. 160 per month
Indirect labour	Rs. 50 per month
Repairs	Rs. 400 per month
Total working hours for one month	160 Hours.

- Q-3 What is cost sheet? Explain its objectives and advantages of cost sheet in detail. (12)

OR

- Q-3 Prepare a cost sheet from the following data: (12)

Number of items manufactured during the month	1,000
	Rs.
Direct material consumed	20,000
Direct labour	8,000
Indirect labour (in work)	2,500
Supervision cost (in work)	1,000
Factory premises rent	1,600
Oil for machine	600
Depreciation of machine	100
Office overheads	8,000
Office salaries	2,000
Misc. office expenses.	1,000
Selling and distribution overheads	6,000

Note: a profit margin of 20% on the total cost of goods is expected.

Q-4 What do you mean by standered costing? Explain the advantages and limitations of standered costing. (13)

OR

Q-4 From the following data, calculate : (13)

- 1) Break- even point expressed in amount of sales in rupees.
- 2) Number of units that must be sold to earn a profit of Rs. 1,60,000 per year.

Selling price	Rs. 20 per unit
Variable manufacturing cost	Rs.11 per unit
Variable salling cost	Rs. 3 per unit
Fixed factory overheads	Rs. 5,40,000 per year
Fixed selling cost	Rs. 2,52,000 per year

- X -