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Your Roll No.....

Sr. No. of Question Paper : 7537
Unique Paper Code : 61011306
Name of the Paper : Management Accounting
Name of the Course : **Bachelor of Management Studies (BMS), 2023 (LOCF)**
Semester : III
Duration : 3 Hours
Maximum Marks : 75



Instructions for Candidates

1. Write your Roll No. on the top immediately on receipt of this question paper.
 2. All questions carry equal marks
 3. Attempt all questions and answer all parts of each question together.
 4. Any assumptions made by you while attempting a question must be clearly stated.
 5. Use of simple calculator is allowed
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1. (a) What do you mean by Cost Control? Discuss the methods of Cost Reduction techniques. (7)
(b) Explain the process of overhead apportionment and Apportionment with example. (8)
 2. Following information is available regarding process A for the month of February, 2023:

P.T.O.

Production Record:

Units in process as on 01.02.2023	4,000
(All materials used, 25% complete for labour and overhead)	
New units introduced	16,000
Units completed	14,000
Units in process as on 28.02.2023	6,000
(All materials used, 33.33% complete for labour and overhead)	
Cost Records:	
Work-in-process as on 01.02.2023	(Rs.)
Materials	6,000
Labour	1,000
Overhead	<u>1,000</u>
	<u>8,000</u>
Cost during the month	
Materials	25,600
Labour	15,000
Overhead	<u>15,000</u>
	<u>55,600</u>

You are required to prepare:

- (i) Statement of Equivalent Production.
- (ii) Statement showing Cost for each element.

(iii) Statement of Apportionment of cost.

(iv) Process Cost Account for Process A.

(15)

3. (a) Excel Ltd. manufactures and markets a single product. The following data are available:

	Per unit
Materials	16
Conversion costs (variable)	12
Dealer's Margin	4
Selling Price	40
Fixed cost : Rs.5 lakhs	
Present Sales: 90,000 units	
Capacity utilisation: 60 per cent	

There are acute competition extra efforts are necessary to sell. Suggestions have been made for increasing sales:

(a) By reducing the sales price by 5 per cent.

(b) By increasing dealer's margin by 25 per cent on the existing rate.

Which of these two suggestions you would recommend if the company desires to maintain the present product? Give reasons.

(8)

P.T.O.

(b) What do you mean by cost? Discuss classification and methods of costing with examples.

(7)

4. What do you mean by budgetary control? Discuss types of budgets and steps in budgetary control process with examples.

(15)

5. Write short note on **any three** with example:

(a) Target Costing

(b) Life Cycle Costing

(c) Quality Costing

(d) Activity based costing

(15)