

**Third Semester B.B.M. Degree Examination,  
October/November 2019**

(CBCS Scheme)

**Business Management**

**Paper 3.6 — COST ACCOUNTING**

Time : 3 Hours]

[Max. Marks : 90

Instructions to Candidates : Answers should be written completely in English.

**SECTION – A**

Answer any **TEN** questions. Each question carries **2** marks : **(10 × 2 = 20)**

1. (a) Define Costing.
- (b) What is cost unit?
- (c) Write any two limitations of Cost Accounting.
- (d) Explain on Cost.
- (e) What is Direct Materials?
- (f) Give the examples of factory overhead.
- (g) Define Abnormal gain.
- (h) What is contract costing?
- (i) Write four causes of idle time.
- (j) What is Absorption of overheads?
- (k) Explain time keeping.
- (l) What do you mean by ABC Analysis?



**SECTION – B**

Answer any **FIVE** questions. Each question carries **5** marks : **(5 × 5 = 25)**

2. Explain the objectives of Cost Accounting.
3. Distinguish between FIFO and LIFO method of pricing material issue.
4. Distinguish between allocation and apportionment.
5. Work out machine hour rate for the following :  
Machine scrap value Nil  
Cost of Machine ₹ 1,90,000  
Freight and installation charges ₹ 10,000  
Working Life 5 years  
Eight hourly day charges

### Q.P. Code - 56334

	₹
1. Power	24
2. Lubrication oil	20
3. Consumable stores	28
4. Wages	80

Repairs and maintenance 40% of Depreciation Annual power expenses at 25 paise per units, 6000 units.

6. From the following particulars prepare cost sheet.

	₹
Raw material	42,000
Carriage on purchase	250
Direct wages	18,500
Factory overhead	7,500
Office overhead	1,900
Selling overhead	1,850
Sales	60,000
Sale of wastage material scrap	₹ 500

7. Compute Total Earnings of a Worker under :

- (a) Halsey Plan  
(b) Rowan plan

Information given :

Wages Rate - ₹ 2 per hour worked

Dearness allowance - ₹ 1 per hour worked

Standard time allowed - 80 hours

Actual time taken - 50 hours

8. From the following particulars of Material X. Show how the value of issues should be arrived at under LIFO Method.

2019

March 1	Opening stock	500 units at ₹ 5 each
March 3	Purchased	450 units at ₹ 6 each
March 10	Issued	600 units
March 12	Purchased	400 units at ₹ 7 each
March 18	Purchased	150 units at ₹ 6 each
March 25	Issued	200 units
March 31	Issued	100 units



## SECTION – C

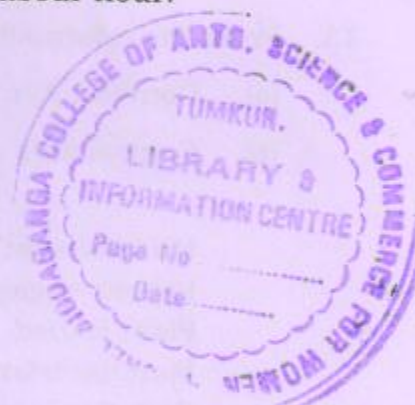
Answer any **THREE** questions. Each question carries **15** marks : (3 × 15 = 45)

9. From the following figures prepare a cost sheet showing cost per unit and profit for the period.

Particulars	₹
Opening stock of Raw materials	20,000
Purchase of Raw materials	1,00,000
Closing stock of Raw materials	10,000
Direct wages	60,000
Machine hours worked	10,000
Machine hour rate	1.25 paise
Office overhead 25% of works cost,	
Selling overhead ₹ 2 per unit	
Units produced and sold 6000	
Rate of profit 20% on cost	

10. National Machines Ltd., have three Production Departments ABC and two Service Departments X and Y. From the following figures extracted from the records of the company. Calculate the overhead rate per Labour hour.

Particulars	₹
Indirect Materials	60,000
Indirect Wages	40,000
Depreciation on Machinery	1,00,000
Depreciation on Building	20,000
Rent and taxes	40,000
Electric powerful machinery	60,000
Electric power for Lighting	2,000
General expenses	60,000
	<u>3,82,000</u>



Items	Total	A	B	C	X	Y
Direct Materials	240000	80000	40000	76000	24000	20000
Direct Wages	160000	60000	60000	16000	8000	16000
Value of Machinery	500000	120000	200000	80000	50000	50000
Floor area (sq. ft)	100000	30000	20000	20000	10000	20000
H.P. of Machines	300	100	120	60	10	10
No. of Light points	100	30	20	20	10	20
Labour hours	30000	10000	10000	4000	2000	4000

The expenses of Service Departments X and Y are to be apportioned as follows :

	A	B	C	X	Y
X	30%	20%	30%	-	20%
Y	30%	30%	20%	20%	-



**Q.P. Code – 56332**

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*(CBCS Scheme)*

**Management**

**BUSINESS LAW**

*Time : 3 Hours]*

*[Max. Marks : 90*

*Instructions to Candidates : Answers should be written in English only.*

**SECTION – A**

1. Answer any **TEN** sub-questions from the following. Each sub-question carries **2** marks : **(10 × 2 = 20)**
- (a) Give the meaning of business law.
  - (b) Define Indian Contract Act.
  - (c) Give the meaning of Articles of Association.
  - (d) What is private company?
  - (e) State the meaning of the term acquisition.
  - (f) Mention any two objectives of Competition Act 2003.
  - (g) Define consumer.
  - (h) What do you mean by cyber law?
  - (i) Give the meaning of E-Commerce.
  - (j) What is digital signature?
  - (k) Define authorized person.
  - (l) Give the meaning of the terms capital account transaction.

**SECTION – B**

Answer any **FIVE** questions from the following. Each question carries **5** marks : **(5 × 5 = 25)**

- 2. State agreements which are declared void.
- 3. Briefly explain the revocations of offer.
- 4. List of the features of government company.