1M207

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1M207

M.B.A. I - Sem. (Main / Back) Exam., - 2025

M – 107 Cost and Management Accounting

Time: 3 Hours **Maximum Marks: 70**

Instructions to Candidates:

(i) The question paper is divided in three parts.

*(ii) **Part A** contains **10** questions which are compulsory. **Part B** contains **eight** questions out of which **five** are to be attempted. **Part C** contains **one** question which is compulsory.*

1. NIL 2. NIL

PART – A

[10×2=20]

Word limit 25 only

All questions are compulsory

Q.1 Explain 'Journal'.

Q.2 What is the need of accounting?

Q.3 What are elements of cost?

Q.4 Explain 'Historic cost'.

Q.5 What is Standard Costing?

Q.6 State limitations of Budgetary Control.

Q.7 What do you understand by 'Accounting Standards'?

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Q.8 What is 'Responsibility Accounting'?

Q.9 Define 'Goodwill'.

Q.10 Explain the purpose of Inventory Management.

PART – B

[5×6=30]

Attempt any five questions

Q.1 "The term cost must be qualified according to its context". Discuss the statement giving significant concepts of cost.

Q.2 Explain trading account with its features.

Q.3 Define cash flow statement and explain the difference between direct and indirect methods of reporting cash flows from operating activities with reference to AS 3.

Q.4 What are the advantages and limitations of marginal costing?

Q.5 For producing one unit of a product, the materials stored are -

Material X – 6kg @ ₹ 8/kg.

Material Y – 4kg @ ₹ 10/kg.

In a week, 1000 units of the product were produced, for which actual consumption of materials was -

Material X – 5900 kg @ ₹ 9/kg.

Material Y – 4800 kg @ ₹ 9.50/kg.

Calculate material cost variance and material usage variance.

Q.6 Define and distinguish fixed and flexible budgets.

Q.7 Explain the basic concepts of GST.

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Q.8 From the following information related to a weeks transactions in connection of the material of company ABC -

Days	Receipt (units)	Rate/unit (₹)	Issue (units)
1st	500	4	-
2nd	100	4.20	-
3rd	-	-	400
4th	50	3.90	50
5th	800	3.80	700
6th	-	-	150

Calculate the cost of materials issued under -

(a) FIFO method

(b) LIFO method

PART – C

[20]

(Compulsory)

Q.1 From the following accounts of C.K. Ltd. given, calculate -

(a) Gross Profit Ratio (b) Liquid Ratio

(c) Current Ratio (d) Return on Investment Ratio

Trading and Profit & Loss Account for the year ended 31st March, 2023 -

		₹		₹
To material consumed			By sales	8,50,000
Opening Stock	90,500		By Profit	6,000
Purchases	5,45,250		By Interest on Investment	3,000
	6,35,750			
Loss: Closing Stock	1,40,000	4,95,750		
To Carriage Inwards		14,250		
To Office Expenses		1,50,000		
To Sales Expenses		30,000		
To Financial Expenses		15,000		
To Loss on Sales of Fixed Assets		4,000		
To Net Profit		1,50,000		
		8,59,000		8,59,000

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Balance sheet as on 31st March, 2023

Liabilities	₹	**Assets**		₹
Share Capital		Fixed Assets :		
20,000 equity share of		Building	1,50,000	
₹ 10 each, fully paid	2,00,000	Plant	80,000	2,30,000
General Reserve	90,000	Current Assets :		
P & L Account	60,000	Stock-in-trade	1,40,000	
Bank Overdraft	30,000	Debtors	70,000	
Sundry Creditors :		Bills receivable	10,000	
For Expenses 20,000		Bank balance	30,000	2,50,000
For others 80,000	1,00,000			
	4,80,000			4,80,000

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