

Tilak Maharashtra University
Bachelor of Business Administration (Distance)
(Semester - IV) - Internal Evaluation
Cost & Management Accounting

Marks : 80

Code : 71412

Note:

- ❖ The Paper Consist of two sections I & II
 - ❖ Section I & II is Compulsory
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SECTION – I

- Q. 1** a) Explain the difference between direct and indirect materials. Also explain the aspects of control with reference to raw materials used in a factory. **(15)**
OR
b) Explain the meaning and purpose of ABC analysis.
- Q. 2** a) Prepare the format of cost sheet with imaginary figures, showing the different stages upto the cost of sales. **(15)**
OR
b) Explain the FIFO and LIFO system of materials accounting.
- Q. 3** a) Explain the limitations of EOQ formula. **(15)**
OR
b) Explain the different aspects of efficient purchase management.
- Q. 4** **Write short notes (Any three)** **(15)**
a) Class A items of materials
b) Bin card, stores ledger
c) Perpetual inventory
d) Normal material wastage

SECTION – II

Choose appropriate option (All questions are compulsory.) **(20)**

1. Inventory ordering cost consists of
a) Cost of placing order b) Cost of inward delivery c) Both
2. EOQ tries to minimize per unit, the following
a) Inventory carrying cost b) Inventory storage cost c) Both
3. EOQ is normally calculated for
a) All class A items b) All class B and C items
4. Generally following materials are purchased in bulk

17. The apportionment of overheads to cost centres is necessary for_____.
a) specific dept. overheads b) General overhead costs
18. The basis for charging overhead to production units can be _____.
a) machine hrs. b) labour hrs.
c) material or labour cost d) any of these
19. The system of labour remuneration should be_____.
a) easy to understand b) simple to administer
c) both
20. In case of hourly rate system, there is no incentive to produce more
a) correct b) wrong

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