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Roll No. \_\_\_\_\_

Question Booklet Number

O.M.R. Serial No. :

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## BBA Second Semester Examination, 2025-26

### Management and Cost Accounting

Paper Code							
F	O	1	O	2	O	3	T N

Question Booklet Series

C

Time : 1 : 30 Hours ]

[ Maximum Marks : 75

#### Instructions to the Examinee :

1. Do not open the booklet unless you are asked to do so.
2. The booklet contains 100 questions. Examinee is required to answer 75 questions in the OMR Answer-Sheet provided and not in the question booklet. **All** questions carry equal marks.
3. Examine the Booklet and the OMR Answer-Sheet very carefully before you proceed. Faulty question booklet due to missing or duplicate pages/questions or having any other discrepancy should be got immediately replaced.
4. Four alternative answers are mentioned for each question as – A, B, C & D in the booklet. The candidate has to choose the correct answer and mark the same in the OMR Answer-Sheet as per the direction :

(Remaining instructions on the last page)

#### परीक्षार्थियों के लिए निर्देश :

1. प्रश्न-पुस्तिका को तब तक न खोलें जब तक आपसे कहा न जाए।
2. प्रश्न-पुस्तिका में 100 प्रश्न हैं। परीक्षार्थी को 75 प्रश्नों को केवल दी गई OMR आन्सर-शीट पर ही हल करना है, प्रश्न-पुस्तिका पर नहीं। **सभी** प्रश्नों के अंक समान हैं।
3. प्रश्नों के उत्तर अंकित करने से पूर्व प्रश्न-पुस्तिका तथा OMR आन्सर-शीट को सावधानीपूर्वक देख लें। दोषपूर्ण प्रश्न-पुस्तिका जिसमें कुछ भाग छपने से छूट गये हों या प्रश्न एक से अधिक बार छप गए हों या उसमें किसी अन्य प्रकार की कमी हो, तो उसे तुरन्त बदल लें।
4. प्रश्न-पुस्तिका में प्रत्येक प्रश्न के चार सम्भावित उत्तर- A, B, C तथा D हैं। परीक्षार्थी को उन चारों विकल्पों में से सही उत्तर छँटना है। उत्तर को OMR उत्तर-पत्रक में सम्बन्धित प्रश्न संख्या में निम्न प्रकार भरना है :

(शेष निर्देश अन्तिम पृष्ठ पर)

**Rough Work**  
रफ़ कार्य

1. Output increases from 2,000 to 4,000 units. Fixed cost ₹40,000. New fixed cost per unit =
  - (A) ₹ 5
  - (B) ₹ 10
  - (C) ₹ 15
  - (D) ₹ 20
2. Additional processing cost ₹10, additional revenue ₹15. Decision =
  - (A) Do not process
  - (B) Process further
  - (C) Ignore
  - (D) Sell immediately
3. Each unit requires 3 kg material. Production = 4,000 units. Total material needed =
  - (A) 10,000 kg
  - (B) 11,000 kg
  - (C) 12,000 kg
  - (D) 13,000 kg
4. SP ₹10, AP ₹12, AQ 100 units. Price variance =
  - (A) ₹ 200 F
  - (B) ₹ 200 A
  - (C) ₹ 100 F
  - (D) ₹ 100 A
5. Labour efficiency variance depends on:
  - (A) Wage rate
  - (B) Hours used
  - (C) Selling price
  - (D) Fixed cost
6. Capital budget focuses on:
  - (A) Daily expenses
  - (B) Short-term planning
  - (C) Long-term investments
  - (D) Inventory control
7. Expected sales = 10,000 units, desired closing stock = 2,000 units, opening stock = 1,000 units. Production =
  - (A) 9,000
  - (B) 10,000
  - (C) 11,000
  - (D) 12,000
8. A key limitation of budgeting is that it:
  - (A) Improves coordination
  - (B) Is based on estimates
  - (C) Enhances planning
  - (D) Improves communication

9. Participative budgeting means:
- (A) Top management decides
  - (B) Employees are not involved
  - (C) Budgets are imposed
  - (D) Employees are involved in preparation
10. Flexible budget is useful when:
- (A) Activity is fixed
  - (B) Activity fluctuates
  - (C) Cost is fixed
  - (D) No production
11. Sell or process further decision depends on:
- (A) Total cost
  - (B) Fixed cost
  - (C) Incremental analysis
  - (D) Historical data
12. Opportunity cost is:
- (A) Paid cost
  - (B) Lost benefit
  - (C) Fixed cost
  - (D) Sunk cost
13. A product should be discontinued if:
- (A) It earns profit
  - (B) It has positive contribution
  - (C) It has negative contribution
  - (D) It has fixed cost
14. Fixed overhead variance arises due to:
- (A) Price change
  - (B) Activity level change
  - (C) Sales variation
  - (D) Material change
15. Make-or-buy decisions are based on:
- (A) Historical cost
  - (B) Sunk cost
  - (C) Relevant cost
  - (D) Book value
16. Variance analysis compares:
- (A) Budget vs sales
  - (B) Actual vs standard
  - (C) Cost vs revenue
  - (D) Profit vs tax

17. Standard price ₹10, actual ₹8, quantity 100. Price variance =
- (A) ₹ 200 F  
 (B) ₹ 200 A  
 (C) ₹ 100 F  
 (D) ₹ 100 A
18. Flexible budget is prepared for:
- (A) One level  
 (B) Multiple levels  
 (C) Fixed cost only  
 (D) Past data
19. Standard cost means:
- (A) Actual cost  
 (B) Historical cost  
 (C) Estimated cost  
 (D) Variable cost
20. Zero-Based Budgeting (ZBB) requires managers to:
- (A) Use last year's budget as base  
 (B) Justify all expenses from scratch  
 (C) Focus only on fixed costs  
 (D) Ignore past data
21. A budget that is continuously updated by adding a new period is known as:
- (A) Flexible budget  
 (B) Zero-based budget  
 (C) Rolling budget  
 (D) Master budget
22. If VC increases by ₹5, contribution will:
- (A) Increase  
 (B) Decrease  
 (C) Remain same  
 (D) Double
23. Standard qty 120, actual qty 100, SP ₹5. Usage variance =
- (A) ₹ 100 A  
 (B) ₹ 50 A  
 (C) ₹ 100 F  
 (D) ₹ 50 F
24. If MOS ₹40,000 and sales ₹2,00,000, ratio =
- (A) 10%  
 (B) 20%  
 (C) 25%  
 (D) 30%
25. Which of the following is NOT a key function of budgeting?
- (A) Planning  
 (B) Coordination  
 (C) Auditing  
 (D) Control

26. Actual sales ₹ 2,50,000, BE sales ₹ 2,00,000. Margin of safety =
- (A) ₹ 25,000  
 (B) ₹ 50,000  
 (C) ₹ 75,000  
 (D) ₹ 1,00,000
27. Budgeting generally starts with:
- (A) Cash budget  
 (B) Production budget  
 (C) Sales budget  
 (D) Purchase budget
28. Contribution ₹1,50,000 and fixed cost ₹1,00,000. Profit =
- (A) ₹ 25,000  
 (B) ₹ 50,000  
 (C) ₹ 75,000  
 (D) ₹ 1,00,000
29. Contribution ₹60,000, sales ₹2,00,000. P/V ratio =
- (A) 20%  
 (B) 25%  
 (C) 30%  
 (D) 35%
30. Cash budget is part of:
- (A) Financial budget  
 (B) Operating budget  
 (C) Production budget  
 (D) Sales budget
31. Contribution ratio = 40%, fixed cost ₹1,00,000. BEP (₹) =
- (A) ₹ 2,00,000  
 (B) ₹ 2,50,000  
 (C) ₹ 3,00,000  
 (D) ₹ 4,00,000
32. The master budget is:
- (A) Only sales budget  
 (B) Only production budget  
 (C) Summary of all budgets  
 (D) Cash budget
33. If the sales mix becomes unstable, CVP analysis results will be:
- (A) More accurate  
 (B) Less reliable  
 (C) Unchanged  
 (D) Fixed

34. Which of the following is a limitation of multi-product CVP analysis?
- (A) It assumes constant fixed cost
  - (B) It assumes stable sales mix
  - (C) It ignores variable cost
  - (D) It ignores selling price
35. Which of the following factors does NOT affect contribution?
- (A) Selling price
  - (B) Variable cost
  - (C) Fixed cost
  - (D) Sales volume
36. If sales volume increases beyond the break-even point, profit will:
- (A) Increase by contribution per unit
  - (B) Increase by selling price per unit
  - (C) Remain constant
  - (D) Decrease
37. Which of the following best explains the behavior of fixed cost per unit?
- (A) It remains constant regardless of output
  - (B) It increases as output increases
  - (C) It decreases as output increases
  - (D) It fluctuates unpredictably
38. Which of the following is most relevant for short-term decision making using CVP?
- (A) Historical cost
  - (B) Sunk cost
  - (C) Relevant cost
  - (D) Book value
39. Sensitivity analysis is also known as:
- (A) Ratio analysis
  - (B) What-if analysis
  - (C) Costing analysis
  - (D) Audit analysis
40. Which of the following is NOT typically analyzed in sensitivity analysis?
- (A) Selling price
  - (B) Variable cost
  - (C) Fixed cost
  - (D) Historical cost
41. The angle of incidence in a break-even chart indicates:
- (A) Cost behavior
  - (B) Sales trend
  - (C) Profitability after BEP
  - (D) Fixed cost level

42. Sensitivity analysis studies:
- (A) Past
  - (B) Future changes
  - (C) Audit
  - (D) Tax
43. Contribution margin ratio is also called:
- (A) P/V ratio
  - (B) Profit ratio
  - (C) Cost ratio
  - (D) Sales ratio
44. If the contribution increases, BEP:
- (A) Increases
  - (B) Decreases
  - (C) Constant
  - (D) Zero
45. BEP chart shows relation between:
- (A) Cost, volume, profit
  - (B) Sales, tax
  - (C) Profit, audit
  - (D) Cost, audit
46. Higher P/V ratio indicates:
- (A) Lower profit
  - (B) Higher profitability
  - (C) Loss
  - (D) Risk
47. Margin of safety =
- (A) Actual – BEP
  - (B) BEP – Actual
  - (C) Profit – Sales
  - (D) Sales – Cost
48. If FC ₹10,000 and contribution ₹20/unit, BEP =
- (A) 200
  - (B) 300
  - (C) 500
  - (D) 400
49. BEP (units) =
- (A)  $FC / SP$
  - (B)  $FC / (SP - VC)$
  - (C)  $VC / SP$
  - (D)  $SP / FC$
50. Break-even point is where:
- (A) Profit is max
  - (B) Loss is max
  - (C) Profit = Loss = 0
  - (D) Revenue = 0

51. Variable cost per unit changes with:

- (A) Output
- (B) Time
- (C) Price
- (D) Demand

52. Step cost is also called:

- (A) Semi-fixed
- (B) Semi-variable
- (C) Fixed
- (D) Variable

53. Fixed costs remain constant in:

- (A) Per unit
- (B) Total
- (C) Both
- (D) None

54. Variable cost per unit is:

- (A) Constant
- (B) Increasing
- (C) Decreasing
- (D) Random

55. Abnormal gain occurs when:

- (A) Actual loss > normal loss
- (B) Actual loss < normal loss
- (C) No loss
- (D) Sales increase

56. If OH rate=₹10 per labor hour and

100 hours worked, OH applied =

- (A) ₹ 1,000
- (B) ₹ 10,000
- (C) ₹ 100
- (D) ₹ 500

57. Process costing is best for:

- (A) Heterogeneous products
- (B) Homogeneous products
- (C) Custom jobs
- (D) Services

58. ERP reduces duplication of:

- (A) Data
- (B) Cost
- (C) Labor
- (D) Sales

59. Barcode/RFID systems help in:
- (A) Costing
  - (B) Inventory tracking
  - (C) Sales
  - (D) Audit
60. FIFO method separates:
- (A) Current and past costs
  - (B) Sales and profit
  - (C) Fixed and variable
  - (D) Material and labor
61. Perpetual system helps in:
- (A) Delayed control
  - (B) Real-time tracking
  - (C) No control
  - (D) Audit only
62. In weighted average method, beginning inventory is:
- (A) Ignored
  - (B) Treated separately
  - (C) Combined with current cost
  - (D) Sold
63. Real-time costing helps in:
- (A) Delayed decisions
  - (B) Quick decisions
  - (C) No decisions
  - (D) Audit
64. Future of costing is:
- (A) Manual
  - (B) Paper-based
  - (C) Digital
  - (D) Traditional
65. Traditional costing uses:
- (A) Multiple drivers
  - (B) Single base
  - (C) Activity base
  - (D) None
66. ERP enhances:
- (A) Transparency
  - (B) Complexity
  - (C) Delay
  - (D) Error

67. Cost data is updated:
- (A) Monthly
  - (B) Yearly
  - (C) Real-time
  - (D) Weekly
68. External failure cost occurs:
- (A) Before sale
  - (B) After sale
  - (C) During production
  - (D) None
69. Digital costing improves:
- (A) Accuracy
  - (B) Delay
  - (C) Errors
  - (D) Waste
70. ERP integrates:
- (A) Finance
  - (B) Production
  - (C) HR
  - (D) All of these
71. Underapplied overhead means:
- (A) Applied > Actual
  - (B) Applied < Actual
  - (C) Equal
  - (D) Fixed
72. ERP stands for:
- (A) Enterprise Resource Planning
  - (B) Economic Resource Planning
  - (C) External Resource Planning
  - (D) None
73. FIFO method assumes:
- (A) New units first
  - (B) Old units first
  - (C) Random
  - (D) Equal
74. Loss in process may be:
- (A) Normal
  - (B) Abnormal
  - (C) Both
  - (D) None
75. Management accounting supports:
- (A) External audit
  - (B) Internal decision making
  - (C) Tax filing
  - (D) Legal reporting

76. Job order costing emphasizes:
- (A) Process
  - (B) Department
  - (C) Individual job
  - (D) Market
77. ABC is more useful when:
- (A) Simple production
  - (B) Complex production
  - (C) Low overhead
  - (D) No cost
78. Job cost sheet includes:
- (A) Material
  - (B) Labor
  - (C) Overhead
  - (D) All of these
79. ABC allocates cost based on:
- (A) Volume
  - (B) Activities
  - (C) Time
  - (D) Labor
80. Job order costing is suitable for:
- (A) Mass production
  - (B) Continuous production
  - (C) Custom jobs
  - (D) Standard goods
81. Overhead allocation is done using:
- (A) Estimates
  - (B) Actual only
  - (C) Cash basis
  - (D) Tax rules
82. JIT reduces:
- (A) Labor
  - (B) Inventory
  - (C) Sales
  - (D) Profit
83. Quality cost includes:
- (A) Prevention
  - (B) Appraisal
  - (C) Failure
  - (D) All of the above

84. Cost driver is:
- (A) Cost cause
  - (B) Profit
  - (C) Loss
  - (D) Revenue
85. Intangible output means:
- (A) Physical goods
  - (B) Services
  - (C) Products
  - (D) Materials
86. Continuous improvement is called:
- (A) Kaizen
  - (B) JIT
  - (C) ABC
  - (D) TOC
87. Example of service industry:
- (A) Manufacturing
  - (B) Banking
  - (C) Mining
  - (D) Agriculture
88. TQM stands for:
- (A) Total Quality Management
  - (B) Total Quantity Management
  - (C) Time Quality Method
  - (D) None
89. Administrative cost relates to:
- (A) Production
  - (B) Management
  - (C) Selling
  - (D) Finance
90. Sunk cost is:
- (A) Future cost
  - (B) Avoidable
  - (C) Past cost
  - (D) Variable
91. Uncontrollable cost is:
- (A) Controllable
  - (B) External
  - (C) Influenced
  - (D) Relevant

92. Direct cost can be:
- (A) Easily traced
  - (B) Indirect
  - (C) Fixed
  - (D) Semi-variable
93. Variable cost varies with:
- (A) Time
  - (B) Output
  - (C) Price
  - (D) Demand
94. Work-in-progress is:
- (A) Finished goods
  - (B) Raw material
  - (C) Partially completed goods
  - (D) Sold goods
95. Gross profit =
- (A) Sales – Expenses
  - (B) Sales – Cost of goods sold
  - (C) Revenue – Tax
  - (D) Income – Loss
96. Cost of goods manufactured includes:
- (A) Office expenses
  - (B) Factory costs
  - (C) Selling costs
  - (D) Financial costs
97. Management accounting helps in:
- (A) Cost minimization
  - (B) Profit maximization
  - (C) Decision support
  - (D) All of the above
98. Which is not a function of management accounting?
- (A) Planning
  - (B) Controlling
  - (C) Decision making
  - (D) Auditing
99. Management accounting information is mainly used by:
- (A) Shareholders
  - (B) Creditors
  - (C) Internal management
  - (D) Government
100. Management accounting primarily focuses on:
- (A) External reporting
  - (B) Decision making
  - (C) Tax calculation
  - (D) Audit

**Rough Work**  
रफ़ कार्य

**Example :**

Question :

- Q. 1    (A)    ●    (C)    (D)
- Q. 2    (A)    (B)    ●    (D)
- Q. 3    (A)    ●    (C)    (D)

5. Each question carries equal marks. Marks will be awarded according to the number of correct answers you have.
6. All answers are to be given on OMR Answer Sheet only. Answers given anywhere other than the place specified in the answer sheet will not be considered valid.
7. Before writing anything on the OMR Answer Sheet, all the instructions given in it should be read carefully.
8. After the completion of the examination candidates should leave the examination hall only after providing their OMR Answer Sheet to the invigilator. Candidate can carry their Question Booklet.
9. There will be no negative marking.
10. Rough work, if any, should be done on the blank pages provided for the purpose in the booklet.
11. To bring and use of log-book, calculator, pager & cellular phone in examination hall is prohibited.
12. In case of any difference found in English and Hindi version of the question, the English version of the question will be held authentic.

**Impt. On opening the question booklet, first check that all the pages of the question booklet are printed properly. If there is any discrepancy in the question booklet, then after showing it to the invigilator, get another question booklet of the same series.**

**उदाहरण :**

प्रश्न :

- प्रश्न 1    (A)    ●    (C)    (D)
- प्रश्न 2    (A)    (B)    ●    (D)
- प्रश्न 3    (A)    ●    (C)    (D)

5. प्रत्येक प्रश्न के अंक समान हैं। आपके जितने उत्तर सही होंगे, उन्हीं के अनुसार अंक प्रदान किये जायेंगे।
6. सभी उत्तर केवल ओ.एम.आर. उत्तर-पत्रक (OMR Answer Sheet) पर ही दिये जाने हैं। उत्तर-पत्रक में निर्धारित स्थान के अलावा अन्यत्र कहीं पर दिया गया उत्तर मान्य नहीं होगा।
7. ओ.एम.आर. उत्तर-पत्रक (OMR Answer Sheet) पर कुछ भी लिखने से पूर्व उसमें दिये गये सभी अनुदेशों को सावधानीपूर्वक पढ़ लिया जाये।
8. परीक्षा समाप्ति के उपरान्त परीक्षार्थी कक्ष निरीक्षक को अपनी OMR Answer Sheet उपलब्ध कराने के बाद ही परीक्षा कक्ष से प्रस्थान करें। परीक्षार्थी अपने साथ प्रश्न-पुस्तिका ले जा सकते हैं।
9. निगेटिव मार्किंग नहीं है।
10. कोई भी रफ कार्य, प्रश्न-पुस्तिका में, रफ-कार्य के लिए दिए खाली पेज पर ही किया जाना चाहिए।
11. परीक्षा कक्ष में लॉग-बुक, कैल्कुलेटर, पेजर तथा सेल्युलर फोन ले जाना तथा उसका उपयोग करना वर्जित है।
12. प्रश्न के हिन्दी एवं अंग्रेजी रूपान्तरण में भिन्नता होने की दशा में प्रश्न का अंग्रेजी रूपान्तरण ही मान्य होगा।

**महत्वपूर्ण :** प्रश्न-पुस्तिका खोलने पर प्रथमतः जाँच कर देख लें कि प्रश्न-पुस्तिका के सभी पृष्ठ भलीभाँति छपे हुए हैं। यदि प्रश्न-पुस्तिका में कोई कमी हो, तो कक्षनिरीक्षक को दिखाकर उसी सीरीज की दूसरी प्रश्न-पुस्तिका प्राप्त कर लें।