



Rajiv Gandhi University of Health Sciences, Karnataka

VI semester Bachelors in Hospital Administration Degree Examination – **MAY 2017****Time: Three Hours****Max. Marks: 80 Marks****Cost and Management Accounting****Q.P. CODE: 1321****(QP contains Two pages)**

Your answers should be specific to the questions asked.

Draw neat, labeled diagrams wherever necessary

LONG ESSAYS (Answer any Two)**2 x 10 = 20 Marks**

1. What is an overhead? Explain the methods of overheads.
2. From the following information prepare a stores ledger account under FIFO method
 Jan 1 – Opening balance, 500 units @ Rs.25 per unit
 Jan 3 – Issue 70 units
 Jan 4 – Issue 100 units
 Jan 8 – Issue 80 units
 Jan 13 – Received from supplier, 200 units @ Rs.24.50 per unit
 Jan 14 – Returned to store, 15 units @ Rs.24 per unit
 Jan 16 – Issue, 180 units
 Jan 20 – Received from supplier, 240 units @ 24.75 per unit
 Jan 24 – Issue, 304 units
 Jan 25 – Received from supplier, 320 units @ Rs.24.50 per unit
 Jan 26 – Issue, 112 units
 Jan 27 – Returned to store, 12 units @ Rs.24.50 per unit
 Jan 31 – Received from supplier, 100 units @ Rs.25 per unit
3. What is cost centre? Explain scope and use of cost accounting.

SHORT ESSAYS (Answer any Eight)**8 x 5 = 40 Marks**

4. Explain briefly the remuneration methods.
5. Describe the different methods of Pricing Material issues.
6. Explain briefly meaning, importance and limitation of ratio analysis.
7. Explain the different elements of costs.
8. From the following data, calculate the:
 a) Break-even point expressed in terms of sale amount/revenue.
 b) Number of units that must be sold to earn a profit of Rs.60,000 per year.

Sales price (per unit)	Rs.20
Variable manufacturing cost per unit	11
Variable selling cost per unit	3
Fixed factory overheads (per year)	5,40,000
Fixed selling costs (per year)	2,52,000

9. Give the formula for each of the following:
 (a) Current ratio (b) Stock turnover ratio (c) Debt-equity ratio (d) Net profit ratio (g) Gross profit ratio.
10. What is cost? Explain briefly the classification of costs.
11. What are the techniques used for separating of fixed and variable costs allocation and apportionment of overheads?
12. Write a note on Service costing.
13. What is cost accounting and financial accounting? List-out the difference between cost and financial accounting.



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SHORT ANSWERS (Answer any ten)

10 x 2 = 20 Marks

14. What is fund flow analysis?
15. What is cash flow analysis?
16. What is ratio analysis?
17. What is cost variance analysis?
18. What is index method?
19. What is meant by overtime?
20. Why risk analysis in project decisions is important?
21. What are the steps in accounting of overheads?
22. What is Financial Statement Analysis?
23. What is difference between wastage and scrap spoilage?
24. What is difference between marginal costing and standard costing?
25. What is fringe benefit?
