

**PSG COLLEGE OF ARTS & SCIENCE**  
(AUTONOMOUS)

**BBA DEGREE EXAMINATION MAY 2025**  
(Third Semester)

Common to Branches - **BUSINESS ADMINISTRATION/ BUSINESS ADMINISTRATION (IS)/  
BUSINESS ADMINISTRATION(RM)/ BUSINESS ADMINISTRATION (LOGISTICS)**

**COST AND MANAGEMENT ACCOUNTING**

Time: Three Hours

Maximum: 75 Marks

**SECTION-A (10 Marks)**

Answer ALL questions

ALL questions carry EQUAL marks

(10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	Choose the cost accounting deals with i) Past data                      ii) Present data iii) Past and present data      iv) Past, present and projected data	K1	CO1
	2	Show the tender is an estimation of ----- i) Cost Price    ii) Selling price    iii) Purchase selling    iv) Market price	K2	CO1
2	3	Find the bin card is record of ----- only i) Cost                      ii) Quantity                      iii) Value                      iv) Expense	K1	CO2
	4	Explain the LIFO method of pricing of the material is more suitable --- i) Material prices are rising                      ii) Material prices are falling iii) Material prices are constant    iv) Material prices are fluctuating	K2	CO2
3	5	Match the piece workers are paid on the basis of ---- i) Output sold                      ii) Output produced iii) Output in stock                      iv) Input received	K1	CO3
	6	Interpret the difference between attendance time and job time is - i) Job time                      ii) Over time                      iii) Actual time                      iv) Idle time	K2	CO3
4	7	Relate the management accounting is concerned with i) Recording of accounting data ii) Recording of cost data iii) Recording of financial data iv) Presentation of interpretation of accounting data	K1	CO4
	8	Demonstrate the standard norm for current ratio i) 1:1                      ii) 2:1                      iii) 1: 2                      iv) 1:3	K2	CO4
5	9	What is a marginal cost? i) Prime cost                      ii) Variable cost iii) Works cost                      iv) Cost of production	K1	CO5
	10	Extend the contribution is ---- i) Excess of sales over total cost                      ii) Excess of cost of sales over sales iii) Excess of sales over fixed cost                      iv) Excess of sales over variable cost	K2	CO5

**SECTION - B (35 Marks)**

Answer ALL questions

ALL questions carry EQUAL Marks

(5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Discover the scope of cost accounting	K3	CO1
		(OR)		
	11.b.	A factory produces 100 units of a commodity. The cost of production is: Materials: 10,000 Wages : 5,000 Direct expense : 1,000 Factory overhead 125% on wages, office overhead 20%, on work cost. Expected profit 25% on sales. Simplify the price to be fixed per unit.		

Cont...

2	12.a.	Identify the minimum stock level, maximum stock level and ordering level from the following particulars: Minimum consumption 100 units per day Maximum consumption 175 units per day Normal consumption 125 units per day Re order quantity 1,500 units Minimum period for receiving goods 7 days Maximum period for receiving goods 15 days Normal period for receiving goods 10 days				K3	CO2																																																						
	(OR)																																																												
	12.b.	The following transaction took place in respect of an item of material . <table><tr><th>Date</th><th>Receipt Qty (Kgs)</th><th>Rate Rs.</th><th>Issue Qty (Kgs)</th></tr><tr><td>02.03.2023</td><td>200</td><td>2.00</td><td>-</td></tr><tr><td>10.03.2023</td><td>300</td><td>2.40</td><td>-</td></tr><tr><td>15.03.2023</td><td>-</td><td>-</td><td>250</td></tr><tr><td>18.03.2023</td><td>250</td><td>2.60</td><td>-</td></tr><tr><td>20.03.2023</td><td>-</td><td>-</td><td>200</td></tr></table> Apply the above in stores ledger pricing issues at simple average rate.						Date	Receipt Qty (Kgs)	Rate Rs.	Issue Qty (Kgs)	02.03.2023	200	2.00	-	10.03.2023	300	2.40	-	15.03.2023	-	-	250	18.03.2023	250	2.60	-	20.03.2023	-	-	200																														
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20.03.2023	-	-	200																																																										
3	13.a.	Analyze the earnings of workers A and B under straight piece rate system and Taylor's differential piece rate system from the following particulars: Normal rate per hour = Rs. 1.80 Standard time per unit = 20 seconds Differential to be applied: 80% of piece rate below standard 120% of piece rate at or above standard. Worker A produces 1,300 units per day and worker B produces 1,500 units per day.				K4	CO3																																																						
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	13.b.	Standard time allowed 50 hours; Time taken for workers 40 hours; Hourly rate Rs. 10 per hour; DA Rs. 5 per hour worked. Examine the total wages under Halsey plan and Rowan plan.																																																											
4	14.a.	<table><tr><td colspan="2">Inspect the funds from operations from the following Profit and Loss Account of M/s. R. Kumar and Co.</td></tr><tr><td>To Salaries</td><td>10,000</td><td>By Gross Profit</td><td>2,00,000</td></tr><tr><td>To Rent</td><td>3,000</td><td>By Profit on sale of Machine</td><td>5,000</td></tr><tr><td>To Commission</td><td>2,000</td><td>By Refund of tax</td><td>3,000</td></tr><tr><td>To Discount allowed</td><td>1,000</td><td>By Dividends received</td><td>2,000</td></tr><tr><td>To Provision for Depreciation</td><td>14,000</td><td></td><td></td></tr><tr><td>To Transfers to General Reserve</td><td>20,000</td><td></td><td></td></tr><tr><td>To Provision for tax</td><td>10,000</td><td></td><td></td></tr><tr><td>To Loss on sale of Investments</td><td>5,000</td><td></td><td></td></tr><tr><td>To Discount on Issue of Debentures</td><td>2,000</td><td></td><td></td></tr><tr><td>To Preliminary Expenses</td><td>3,000</td><td></td><td></td></tr><tr><td>To Selling Expenses</td><td>20,000</td><td></td><td></td></tr><tr><td>To Net Profit</td><td>1,20,000</td><td></td><td></td></tr><tr><td></td><td>2,10,000</td><td></td><td>2,10,000</td></tr></table>				Inspect the funds from operations from the following Profit and Loss Account of M/s. R. Kumar and Co.		To Salaries	10,000	By Gross Profit	2,00,000	To Rent	3,000	By Profit on sale of Machine	5,000	To Commission	2,000	By Refund of tax	3,000	To Discount allowed	1,000	By Dividends received	2,000	To Provision for Depreciation	14,000			To Transfers to General Reserve	20,000			To Provision for tax	10,000			To Loss on sale of Investments	5,000			To Discount on Issue of Debentures	2,000			To Preliminary Expenses	3,000			To Selling Expenses	20,000			To Net Profit	1,20,000				2,10,000		2,10,000	K4	CO4
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14.b.	Following information is given to you i) Current Ratio = 2.5 ii) Working capital = Rs.90,000 Test for : a) Current Assets ii) Current liabilities																																																												

5	15.a.	From the following data conclusion. i) P/V Ratio ii) variables cost iii) Profit Sales Rs. 80,000 Fixed expenses Rs. 15,000 Breakeven point Rs. 50,000	K4	CO5
	(OR)			
	15.b.	Test for the amount of fixed cost from the following particulars: <div><div>Rs.</div><div>Sales2,50,000 Direct Materials80,000 Direct Labour50,000 Variable Overhead20,000 Profit60,000</div></div>		

**SECTION -C (30 Marks)**  
Answer ANY THREE questions  
ALL questions carry EQUAL Marks (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO			
1	16	Inspect the Prime cost, Factory cost, Cost of Production, Cost of Sales and Profit from the following particulars:	K3	CO1			
		Direct materials			1,00,000	Depreciation: Factory plant	500
		Direct wages			30,000	Office premises	1,250
		Wages of foreman			2,500	Consumable stores	2,500
		Electric power			500	Manager's salary	5,000
		Lighting: Factory			1,500	Directors fees	1,250
		Office			500		
		Oil & Water			500	Office stationary	500
		Rent: Factory			5,000	Telephone charges	125
		Office			2,500		
		Repairs & Renewals: Factory plant			3,500	Postage and Telegrams	250
		Office premises			500		
		Transfer to reserves			1,000	Salesmen salaries	1,250
		Discount on shares written off			500	Sales	1,89,500
		Dividend			2,000	Travelling Expenses	500
Store keeper wages	1,000	Advertising	1,250				
Carriage outward	375	Warehouse charges	500				
Income tax	10,000						
2	17	The received side of the Stores Ledger Account shows the following particulars: Jan. 1 Opening Balance:500 units @ Rs.4 Jan. 5 Received from vendor: 200 units @ Rs.4.25 Jan.12 Received from vendor: 150 units @ Rs.4.10 Jan.20 Received from vendor: 300 units @ Rs.4.50 Jan.25 Received from vendor: 400 units @ Rs.4 Issues of material were as follows: Jan. 4- 200 units; Jan.10- 400 units; Jan. 15- 100 units; Jan 19- 100 units; Jan.26- 200 units; Jan.30- 250 units. Issues are to be priced on the principle of "first in first out". Examine the Stores Ledger Account in respect of the materials for the month of January.	K4	CO2			

3	18	Categorize the various classifications of overheads.	K4	CO3																																										
4	19	<p>From the following balance sheet of XYZ Co., Ltd., you are required to Take part in fund flow statement including a schedule of changes in Working Capital for the year ended 31.12.2016:</p> <table><tr><th>Liabilities</th><th>31.12.15 Rs.</th><th>31.12.16 Rs.</th><th>Assets</th><th>31.12.15 Rs.</th><th>31.12.16 Rs.</th></tr><tr><td>Share Capital</td><td>70,000</td><td>74,000</td><td>Cash</td><td>9,000</td><td>7,800</td></tr><tr><td>Debentures</td><td>12,000</td><td>6,000</td><td>Debtors</td><td>14,900</td><td>17,700</td></tr><tr><td>Reserve for Doubtful Debts</td><td>700</td><td>800</td><td>Stock</td><td>49,200</td><td>42,700</td></tr><tr><td>Trade Creditors</td><td>10,360</td><td>11,840</td><td>Land</td><td>20,000</td><td>30,000</td></tr><tr><td>P/L. A/c</td><td>10,040</td><td>10,560</td><td>Goodwill</td><td>10,000</td><td>5,000</td></tr><tr><td></td><td>1,03,100</td><td>1,03,200</td><td></td><td>1,03,100</td><td>1,03,200</td></tr></table> <p><b>Additional Information:</b> (1) Dividend Paid Rs. 3,500 (2) During the year, land was purchased for Rs. 10,000</p>	Liabilities	31.12.15 Rs.	31.12.16 Rs.	Assets	31.12.15 Rs.	31.12.16 Rs.	Share Capital	70,000	74,000	Cash	9,000	7,800	Debentures	12,000	6,000	Debtors	14,900	17,700	Reserve for Doubtful Debts	700	800	Stock	49,200	42,700	Trade Creditors	10,360	11,840	Land	20,000	30,000	P/L. A/c	10,040	10,560	Goodwill	10,000	5,000		1,03,100	1,03,200		1,03,100	1,03,200	K4	CO4
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	1,03,100	1,03,200		1,03,100	1,03,200																																									
5	20	<p>The following figures of sales and profits for two periods are available in respect of a concern:</p> <table><tr><th></th><th>Sales Rs.</th><th>Profit Rs.</th></tr><tr><td>Period I</td><td>1,00,000</td><td>15,000</td></tr><tr><td>Period II</td><td>1,20,000</td><td>23,000</td></tr></table> <p>You are required to Simplify: (a) P/V ratio. (b) Fixed cost (c) Break Even Point (d) Profit at an estimated sale of Rs. 1,25,000 Sales required earning a profit of Rs. 20,000</p>		Sales Rs.	Profit Rs.	Period I	1,00,000	15,000	Period II	1,20,000	23,000	K4	CO5																																	
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