25MSU208/25ISU209/25RMU208/25BLU208

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BBA DEGREE EXAMINATION MAY 2026
(Second Semester)

Branch – **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)

Question No.	Question	K Level	CO
1	Which of the following is an element of cost? (i) Profit　(ii) Loss　(iii) Labour　(iv) Interest	K1	CO1
2	Extend the use of cost sheet in business? (i) Helps in decision making　(ii) Reduces production (iii) Increases loss　(iv) Avoids costing	K2	CO1
3	What is material control? (i) Increasing stock　(ii) Managing and controlling materials (iii) Ignoring inventory　(iv) Selling goods	K1	CO2
4	Classify the following as inventory control technique? (i) FIFO　(ii) Ratio analysis　(iii) Budget　(iv) Audit	K2	CO2
5	Where is piece rate system used? (i) Time-based work　(ii) Output-based work (iii) Office work　(iv) Audit work	K1	CO3
6	Translate overhead in simple terms? (i) Direct cost　(ii) Indirect cost　(iii) Selling price　(iv) Profit	K2	CO3
7	When is ratio analysis used? (i) Calculate tax　(ii) Analyze financial performance (iii) Record attendance　(iv) Control inventory	K1	CO4
8	Outline the purpose of financial statement analysis? (i) Record transactions　(ii) Analyze financial performance (iii) Pay wages　(iv) Control materials	K2	CO4
9	Why is profit-volume ratio used? (i) Calculate wages　(ii) Measure profitability (iii) Control labour　(iv) Audit accounts	K1	CO5
10	Show the formula of contribution? (i) Sales – Fixed cost　(ii) Sales – Variable cost (iii) Profit – Cost　(iv) Fixed cost – Sales	K2	CO5

SECTION - B (35 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** Marks　　(5 × 7 = 35)

Question No.	Question	K Level	CO
11.a.	List the types of cost.	K1	CO1
	(OR)		
11.b.	Sai Manufacturing Company produces a single product, "Widget X." The following information is available for the month of September: Direct Materials Purchased: Rs.10,000 Direct Materials Used: Rs.9,000 Direct Labor Cost: Rs.4,000 Factory Overhead: Rs.2,000 Selling and Administrative Expenses: Rs.1,500 Units Produced: Rs 1,000 Units Sold: 900 Prepare a cost sheet for the month of September for Widget X.	K2	CO1

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12.a.	The following information is relating to a material for the year ended 2025.The value of material is Rs.1 Per Kg. Opening Stock 800 Kg Purchases 12000 Kg Closing Stock 400 Kg Calculate the material turnover ratio and express in number of days the average inventory was held.	K1	CO2
	(OR)		
12.b.	From the following particulars, prepare Stores Ledger Account using Weighted Average Method: (i) Opening stock: 100 units at Rs.10 (ii) Jan 5: Purchased 200 units at Rs 12 (iii) Jan 10: Issued 150 units (iv) Jan 15: Purchased 100 units at Rs 14 (v) Jan 20: Issued 120 units Calculate the Weighted average price, Value of issues and Closing stock.	K2	
13.a.	Rajan, a worker in a manufacturing unit, is paid at the rate of Rs.10 per hour. His working hours constitute 42 hours over 5 days week. Time allowed per day as approved absence for personal needs etc.is 24 minutes. Rajan's job cards for the week ended 30th Sep.2010 show that his time during the week is chargeable as under: Job No. A-42 = 15 hours Job No. K-12 = 20 hours Job No. R-3 = 2 hours The time unaccounted for is due to a power failure. You are required to show Rajan's wages for the week and how they would be dealt with in cost accounts.	K3	CO3
	(OR)		
13.b.	In factory workers are paid at Rs.50 per hour. During the month of April 2010, there were 25 Working days of 8 hours each. There is also a 'Piece work plan' where in Rs.10 is to be paid per Piece produced. During the month worker 'x' produced on average 48 pieces per working Day. Ascertain the wages of worker 'x' under (a) Time wages (b) Piece wages	K4	
14.a.	Identify the Tools of Financial Statement Analysis.	K3	CO4
	(OR)		
14.b.	Calculate the Trend Percentages for the following with the year 2020 as base Year. 2020 2021 2022 2023 2024 2025 Inventories (Rs.) 40,000 65,000 90,000 70,000 60,000 68,000	K4	
15.a.	Prepare marginal cost statement from the following particulars: Variable cost: Rs. Direct material 4,500 Direct wages 2,500 Factory Overheads 1,500 8,500 Fixed Cost: Administrative expenses 1,250 Total cost 9,750 Profit 5,250 Sales 15,000	K3	CO5
	(OR)		
15.b.	The fixed expenses of an industrial concern amount to Rs.1,80, 000.Its variable cost per unit is Rs.29 and selling price is Rs.44 per unit. Calculate the break-even point	K4	

SECTION -C (30 Marks)

Answer **ANY THREE** questions

ALL questions carry **EQUAL** Marks (3 × 10 = 30)

Question No.	Question	K Level	CO
16	During the year 2025, Ajay Ltd. produced 50,000 units of a product. The following were the expenses: Rs. Stock of raw materials on 1.1.2019 10,000 Stock of raw materials on 31.12.2019 20,000 Purchases 1,60,000 Direct wages 75,000 Direct expenses 25,000 Factory expenses 37,500 Office expenses 62,500 Selling expenses 25,000 You are required to prepare a cost sheet showing cost per unit and total cost at each stage.	K1	CO1
17	From the following particulars, prepare the Stores Ledger Account using the LIFO Method: • Jan 1: Opening stock – 200 units at Rs.10 • Jan 3: Purchased – 300 units at Rs.12 • Jan 5: Issued – 250 units • Jan 8: Purchased – 200 units at Rs.14 • Jan 10: Issued – 300 units • Jan 12: Purchased – 150 units at Rs.15 • Jan 15: Issued – 200 units • Jan 18: Purchased – 100 units at Rs.16 • Jan 20: Issued – 150 units Required: (i) Prepare Stores Ledger Account (ii) Calculate total value of materials issued (iii) Find closing stock value	K2	CO2
18	Explain the classification of overhead.	K3	CO3
19	Tamil Ltd furnish the following information for the quarter ending 30th Sep, 2025.Calculate net profit ratio. Rs. Sales 5,00,000 Gross Profit 2,60,000 Administrative expenses 50,000 Selling expenses 40,000 Financial expenses 20,000 Dividend received 20,000 Preliminary expenses written off 5000 Provision for income tax 15,000	K4	CO4
20	The sales turnover and profit during two years were as follows: Year / Sales Rs. / Profit Rs. 2024 / 1,40,000 / 15,000 2025 / 1,60,000 / 20,000 Calculate: (a) P/V Ratio (b) Break -even-point (c) Sales required to earn a profit of Rs.40,000 (d) Fixed expenses (e) Profit when sales are Rs.1,20,000	K5	CO5

Z-Z-Z END