

**GANDHI INSTITUTE OF ENGINEERING AND TECHNOLOGY UNIVERSITY, ODISHA, GUNUPUR  
(GIET UNIVERSITY)**



Time: 3 hrs

B. B. A (Second Semester Regular/Supplementary) Examinations, May, 2025

**23BBAPC12006 – Cost and Management Accounting**

Maximum: 60 Marks

(The figures in the right hand margin indicate marks.)

**PART – A****(2 x 10 = 20 Marks)**Q.1. Answer **ALL** questions

- |   | CO # | Blooms<br>Level |
|---|------|-----------------|
| a. Define cost accounting.  | CO1  | K1              |
| b. Define prime cost with its components.   | CO1  | K2              |
| c. Explain elements of cost.  | CO3  | K2              |
| d. Distinguish between bin-card and stores ledger.  | CO2  | K2              |
| e. Explain about opportunity cost.  | CO3  | K1              |
| f. Explain about margin of safety.  | CO4  | K1              |
| g. Find out EOQ from the following:<br>Annual requirement is 1600 units, cost of material per unit is Rs 40, cost of placing an order is Rs 50 and material carrying cost is 10% of inventory cost. | CO2  | K2              |
| h. Define management accounting.  | CO6  | K1              |
| i. Write down the formula of Break even point.  | CO4  | K2              |
| j. What do you mean by budget?  | CO5  | K1              |

**PART – B****(8 x 5 = 40 Marks)**Answer **all** the questions

- |   | Marks | CO # | Blooms<br>Level |
|---|-------|------|-----------------|
| 2. a. Distinguish between Financial accounting and management accounting?<br>(OR)   | 8     | CO1  | K2              |
| b. Explain the meaning, nature, and scope of cost accounting.   | 8     | CO1  | K2              |
| 3.a. The standard time for a job is 16 hours, and the basic wage is Rs 100 per hour. A bonus scheme is instituted so that worker is to receive his normal rate for hours actually worked and bonus for the time saved. Calculate the wages Under Halsey bonus plan and Rowan bonus plan if the job is completed in (i) 12 hours, (ii) in 14 hours. And analyse the results.<br>(OR) | 8     | CO2  | K2              |
| b. Discuss in detail the different methods of pricing material issues (FIFO, LIFO, Simple Average, Weighted Average).   | 8     | CO2  | K2              |
| 4.a. Discuss the importance of preparing a cost sheet in a manufacturing business.<br>(OR)  | 8     | CO3  | K2              |
| b. Prepare a cost sheet from the following information of Alfa Ltd for the month of January 2025:   | 8     | CO3  | K4              |

Rs

Direct materials	1,00,000
Direct labour-	50,000
Factory overheads	40,000

Administrative overheads	20,000
Selling overheads	6,000
Distribution overheads	16,000
Sales	2,80,000

5.a. Illustrate how break-even charts are prepared and interpreted. 8 CO4 K2  
(OR)

b. **Calculate:** 8 CO4 K2

- Breakeven point,
- P/V ratio,
- Fixed cost
- Sales required to earn a profit of Rs 5,000
- Profit at the sale of Rs 46,000 from the following:

Particulars	Year 2023	Year 2024
Sales Rs	38,000	65,000
Profit/Loss Rs	2,400	3,000

6.a. Describe the process involved in the preparation of a budget? 8 CO5 K2  
(OR)

b. Prepare Cash budget from the following for the month of February, 8 CO6 K4  
March and April 2025 of a business:

Particulars	January	February	March	April
Sales Rs	18,000	20,000	22,000	24,000
Wages Rs	3,000	4,000	4,000	6,000
Purchase Rs	5,000	6,000	6,000	8,000
Rent Rs	2,000	2,000	2,000	2,000

Adjustments:

- Cash in Hand on February 2024 is Rs 5,000.
- All sales made are on credit and will collect in the next month
- Wages should be paid in the next month
- 50% of purchases are made in cash and remaining should be payable after 2 months.

Rent paid in advance of one month.

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