

END TERM EXAMINATION

SECOND SEMESTER [BBA] MAY-JUNE 2013

Paper Code: BBA/BBA(B&I/TTM) 110

Subject: Cost Accounting

Time : 3 Hours

Maximum Marks :75

Note: Attempt any five questions. Q. No. 1 is compulsory. All questions carry equal marks.

- Q1. What is Cost Accounting? State its advantages and limitations.
- Q2. Write short notes on the following:
 - (a) Life Cycle Costing
 - (b) Back Flush Costing
 - (c) Activity Based Costing
- Q3. What is idle time? What are its causes? How should idle wages be treated in cost accounts?
- Q4. What is meant by under/over absorption of overheads? How would you account for them in the books of accounts. Explain.
- Q5. What are the different methods of calculating profit on incomplete contract? Give illustrations.
- Q6. What do you mean by normal and abnormal wastage during process of manufactures? Explain how each should be treated in cost accounts?
- Q7. From the following data, prepare a cost sheet showing the cost of electricity generated per unit of KWH by Chambal Thermal Power Station.

Total units generated	20,00,000 KWh
Operating Labour	Rs. 50,000
Repairs and Maintenance	Rs. 50,000
Plant supervision	Rs. 30,000
Lubricants, spares and stores	Rs. 40,000
Administrative Overheads	Rs. 20,000
Coal consumed per KWh for the year is	
2.5 kg. @ Re. 0.02 per kg.	
Depreciation charge @ 5% on capital cost	
of Rs. 2,00,000	

- Q8. Why is reconciliation of cost and financial accounts necessary? State the reasons for difference between profits shown by both the accounts.