

**Term End Examination February – 2026**

|                     |                          |                   |                             |
|---------------------|--------------------------|-------------------|-----------------------------|
| <b>Course</b>       | <b>: BBAR</b>            | <b>Date</b>       | <b>: 17-02-26</b>           |
| <b>Subject Code</b> | <b>: BBAR-502</b>        | <b>Time</b>       | <b>: 11:30am to 01:45pm</b> |
| <b>Subject Name</b> | <b>: Cost Accounting</b> | <b>Duration</b>   | <b>: 02.15 Hours</b>        |
|                     |                          | <b>Max. Marks</b> | <b>: 70</b>                 |

## Section A

**Answer the following (Attempt any three)**

(30)

1. Discuss the Difference between Financial Accounting and Cost Accounting.
2. Explain the Cause of Labour Turnover in details.
3. Explain the methods of Segregation of Semi-Variable overheads.
4. Define the Installation of Budgetary Control System.
5. Discuss the zero-based budgeting in detail.

## Section B

**Answer the following (Attempt any four)**

(20)

1. What are the advantages of Cost Classification.
2. Write a short note on Cost-Volume-Profit Analysis.
3. Write a Advantages and Disadvantages of LIFO method.
4. Write a Importance of Labour Cost Control.
5. Write a short note on Sales Budget.
6. Discuss the Difference between Fixed and Flexible Budget.

## Section C

### Part – A (Multiple Choice Questions)

**(10)**

- 1 \_\_\_\_\_ helps in ascertaining costs beforehand.

|                         |                   |
|-------------------------|-------------------|
| A Financial accounting  | B cost accounting |
| C Management accounting | D None of these   |
- 2 Financial Accounting furnishes data on

|                                                 |                                            |
|-------------------------------------------------|--------------------------------------------|
| A Income and cost for the managers              | B Financial conditions of the institutions |
| C Company's tax liability for a particular year | D All the above                            |
- 3 Material, Labour and Expenses are the three important \_\_\_\_\_ of cost.

|              |            |
|--------------|------------|
| A Methods    | B Elements |
| C Techniques | D Scope    |
- 4 \_\_\_\_\_ indicates maximum stock to be maintained.

|                  |                 |
|------------------|-----------------|
| A Maximum Level  | B Minimum Level |
| C Re-Order Level | D Danger Level  |
- 5 Which of the following shall not be deducted from the purchase price if it is not shown as deduction in the invoice.

|                  |                     |
|------------------|---------------------|
| A Trade Discount | B Quantity Discount |
| C Cash Discount  | D None of the above |

- 6 Which of these is not a Material control technique:
  - A ABC Analysis
  - B Fixation of raw material levels
  - C Maintaining stores ledger
  - D Control over slow-moving and non-moving items
- 7 A manufacturing firm is very busy and is working overtime. The amount of overtime premium contained in direct wages would normally be classed as:
  - A Prime cost
  - B Factory overheads
  - C Direct labour cost
  - D Administrative overheads
- 8 The process of distribution of overheads allotted to a particular department or cost centre over the units produced is called:
  - A Allocation
  - B Apportionment
  - C Absorption
  - D Departmentalization
- 9 Budget is prepared for a \_\_\_\_\_
  - A Indefinite period
  - B Definite period
  - C Period of one year
  - D Six months
- 10 When budget allowances are set without the involvement of the budget owner, the budgeting process can be described as
  - A Top-down budgeting
  - B Negotiated budgeting
  - C Zero-based budgeting
  - D Participative budgeting

**Part – B (Do as Directed)**

**(10)**

Marks that Statements are True or false.

- 1 The purpose of management accounting is to Help managers make decisions.
- 2 Direct Labour Cost is also known as Indirect Wages.
- 3 Absorption costing is also known as Total costing.
- 4 EOQ is decided on the basis of ordering cost and carrying cost.
- 5 Re-order level is calculated as Minimum consumption x Minimum re-order period.
- 6 Labour Turnover is the rate of change in the working staff of a concern during a definite period.
- 7 A budget is a plan of action expressed in non-financial terms.
- 8 Semi-variable cost will not be zero, even if production is nil.
- 9 Production budget is Dependent on sales budget.
- 10 cost accounting aids in price fixation.

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