

Dr. Babasaheb Ambedkar Open University
Term End Examination February – 2026

Course	: BBA	Date	: 17-02-26
Subject Code	: BBAR24502	Time	: 11:30am to 01:45pm
Subject Name	: Cost Accounting	Duration	: 02.15 Hours
		Max. Marks	: 70

Question Paper

	Write the following question and answers.	Marks
Que-1	Write about the Importance of Cost Accounting.	14
	OR	
Que -1	Explain the Different Methods of Costing in detail.	
Que -2	What are the features of Job Costing? Write the Advantages and Disadvantages of Job Costing.	14
	OR	
Que -2	The following details are available from the books of B Ltd. for year ended 31/12/2024. Prepare a cost sheet and find out total cost as well as profit or loss per unit. Direct Material: Rs.48,00,000 Direct Labour: Rs.10,00,000 Depreciation on Factory Building: Rs.30,000 Branch Office exp.: Rs.80,000 Depreciation of Office Building: Rs.16,000 Depreciation of Staff Cars: Rs.3,000 Insurance of Staff Cars: Rs.24,000 Insurance of Office Building: Rs.2,400 Insurance of Factory Building: Rs.3,000 Delivery van maintenance exp.: Rs.20,000 Salaries (including sales manager 50,000, Factory engineer 50,000): Rs.6,00,000 Finished goods warehouse exp.: Rs.40,000 Electricity (Including Rs.8,000 for Administrative Office): Rs.80,000 Advertisement : Rs.40,000 Sundry Factory exp.: Rs.6,80,000 Sales Promotion exp.: Rs.10,000 Office & Admin exp.: Rs.1,00,000 Expenses in Participating in industrial Fair: Rs.20,000 Sales: Rs.84,00,000 Units Produced & Sold = 10,000	

Que -3 The following details are available from the books of Mansi Manufacturing Co. 14
 Ltd., regarding the two processes of their factory:

Particulars	Process-1	Process-2
Raw materials introduced	4,000 units at Rs. 20 per unit	
Direct Wages	Rs. 60,000	Rs. 96,000
Production Overheads	80% of Direct Wages	75% of Direct Wages
Wastage	500 Units	250 Units
Sales value of wastage (per unit)	Rs. 12	Rs. 31.20
By-Products	500 units	750 units
Sales of by-Products	Cost plus 20%	Sold at price so as to realize 25% profit on sale

OR

Que -3 (A) Discuss the causes of difference between costing profits and financial profits.
 (B) Prepare a format of Reconciliation account with imaginary figures.

Que -4 (A) Discuss the Process to implement Activity Based Costing. 14
 (B) Describe the Difference between Traditional Costing Method & Activity Based Costing Method.

OR

Que -4 Write about the Cost Auditing Standards in detail.

Que -5(A) **Write a short note. (any two)** 14

1	Difference between Financial Accounting & Cost Accounting	07
2	Bin Card	07
3	Difference between Ordering Quantity & Ordering Level	07
4	Taylor's Differential Piece Rate System	07
5	Meaning & Characteristics of Contract Costing	07
