

(Please write your Exam Roll No.)

Exam Roll No.

END TERM EXAMINATION

SECOND SEMESTER [BBA] JUNE 2024

Paper Code: BBA-102

Subject: Cost Accounting

BBA(B&I)-102

Time: 3 Hours

Maximum Marks: 60

Note: Attempt five questions in all including Q.No1 which is compulsory.

- Q1 Answer **any four** from the following:- (4x5=20)
- (a) Function of Cost Accounting
 - (b) What is reorder level?
 - (c) Idle time and its causes.
 - (d) Economic Order Quantity
 - (e) How Abnormal gain in cost accounts.
 - (f) Short note on Material losses
 - (g) Absorption and allocation of overheads

- Q2 What do you understand by cost accounting? How does it differ in technique and procedure from financial accounting? Give an example also. (10)

- Q3 With respect to a factory, following particulars have been extracted for the year 2020: (10)

Cost of materials	Rs. 6,00,000
Wages	Rs. 5,00,000
Factory overheads	Rs. 3,00,000
Administration charges	Rs. 3,36,000
Selling charges	Rs. 2,24,000
Distribution charges	Rs. 1,40,000
Profit	Rs. 4,20,000

A work order has to be executed in 2021 and estimated expenses are:

Material Rs. 8,000, Wages Rs. 5,000

Assuming that in 2021 the rate of factory overheads has gone up by 20%. Distribution charges have gone down by 10% and selling and administration charges have each gone up by 15%. At which price should the product be sold so as to earn the same rate of profit as in 2020? Factory overheads are based on wages and administration, selling and distribution overheads on factory cost.

- Q4 The history of receipt and issue of coal on different dates of a particular month are as follows: (10)

Jan 1 st opening balance	40 tons@ Rs. 45 per ton
Jan 2 nd Issued	16 tons
Jan 5 th Purchased	60 tons@ Rs. 46 per ton
Jan 7 th Issued	30 tons
Jan 10 th Purchased	50 tons@ Rs. 47 per ton
Jan 12 th Issued	48 tons
Jan 15 th Issued	40 tons

How the various issues are to be priced under:

- (a) First in First Out, (b) Last in Last Out, (c) Weighted Average

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- Q5 A worker produced 200 units in a week's time. The guaranteed weekly wage payment for 45 hours is Rs. 81. The expected time to produced one unit is 15 minutes which is raised further by 20 % under the incentive scheme. What will be the earnings per hour of that worker under Halsey (50% sharing) and Rowan bonus Schemes? **(10)**
- Q6 Distinguish between job costing and contract costing. State the special features of contract costing. **(10)**
- Q7 Zewaraat Ltd. has undertaken the construction of a bridge over the river Narmada for a Municipal Corporation. The value of the contract is Rs. 12,50,000, subject to a retention of 20% until one year after the certified completion of the contract, and the final approval of the corporation's engineer. The following details as shown in the books on 30th June, 2021:

Labour on site	Rs. 4,05,000
Materials direct to site less returns	Rs. 4,20,000
Materials from store	Rs. 81,200
Hire and use of plant-plant upkeep account	Rs. 12,100
Direct Expenses	Rs. 23,000
General overhead allocated to the contract	Rs. 37,100
Material in hand on June 30,2016	Rs. 6,300
Wages accrued on June 30,2016	Rs. 7,800
Direct expenses accrued on June 30,2016	Rs. 1,600
Work not yet certified at cost	Rs. 16,500
Amount certified by the Corporation Engineer	Rs. 11,00,000
Cash received on account	Rs. 8,80,000

Prepare (a) contract account, (b) contractee's account and (c) show how the relevant items would appear in the balance sheet. **(10)**

- Q8 Describe the general features of process costing. Give names of three industries where process costing can be applied. **(10)**

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