647510 **BBA5CasC503x** **Seat No :________**

B.B.A. Semester - 5 (Remedial) (*CBCS*) Examination
March/April-2022 (NEW COURSE)
Cost Accounting System(Core)

Time: 2:30 Hours **Marks: 70**

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate marks.

Que-1 Discuss the meaning of Cost Accounting and its advantages and limitations. (14)

OR

Que-1 (A) Objectives of Cost Accounting.

(B) Difference between Cost Accounting & Financial Accounting.

Que-2 (A) Calculate 1. Re-ordering level 2. Minimum Level (14)

3. Maximum Level 4. EOQ from the following data of Ranvir Ltd:

1. Annual Consumption 13,000 units
2. Cost of Placing the order Rs.25
3. Carriage expenses yearly of one-unit Rs 65.
4. Re-ordering time 4 to 6 weeks.
5. Weekly average consumption 250 units.
6. Weekly minimum Consumption 125 units.

(B) From the following information of Sunny Ltd. find out the following

1. Opening Stock 2. Closing Stock 3. Purchase 4. Turnover Period

Stock turnover Ratio= 8, Average Stock= 50,000, Closing Stock is Rs 10,000 more than the opening Stock

OR

Que-2 From the following information of Niraj Ltd:

Find out: 1. EOQ 2. Ordering Level 3. Maximum Level

4. Minimum Level. 5. Danger Level 6. Safety Stock.

Bi-Monthly Consumption-2000 units

Cost per Unit- Rs.1

Ordering Cost-Rs.12

Carrying Cost -20 %

Delivery Period (Maximum, Average & Minimum)- 30-20-10 Days.

Daily Consumption (Maximum, Average & Minimum)- 45-30-15 Units.

Maximum Delivery period for emergency purchase-5 Days.

Que-3 During the 1st week of February 2021, information of Sunil Ltd is as under: (14)

The wage rate per hour is Rs 7 in a factory and has received Rs. 384 according to Rowan Plan and Rs 336 according to Time Wage System, Material Cost of a product is Rs 531 and factory overheads are recovered at 50 % of total wages. Calculate total factory cost of a product according to Time Wage, Piece Wage, Halsey Plan and Rowan Plan.

OR

Que-3 Information regarding workers of CSK Ltd. Is as under:

- Number of workers as on 01/03/2019- 550
- Number of workers as on 31/03/2019- ?
- Number of workers who resigned-55
- Number of workers dismissed-22
- Number of workers retired-38
- Number of workers newly appointed (Out of which 250 were taken under expansion plan- 315
- Labour Turnover as per Flux Method- 30%.

Find out :

1. No. of workers as on 31/03/2019.
2. Labour Turnover Rate as per Replacement Method and as per Separation Method.
3. Equivalent Annual turnover rate on the basis of Replacement Method and Separation Method.

Que-4 Discuss Classification of Overheads in detail (14)

OR

Que-4 In a factory A, B & C are production departments and D & Eare service departments. Following are the details of March 2021.

Particulars	Amount in Rs.	Particulars	Amount in Rs.
Indirect Labour	1,300	Rent & Taxes	5,000
Insurance	3,300	ESI Contribution	650
Canteen Expenses	6,000	Depreciation	16,500
Lighting	2,000	Power	9,000
Factory Manager's Salary	18,000		

Other Information:

Particulars	A	B	C	D	E
Light Points	6	5	4	3	2
Direct Labour(in Rs.)	4,500	4,000	2,900	1,200	400
Value of Plant (in Rs)	72,000	48,000	36,000	1,200	1,200
Horse Power	4	6	2	----	----
Space occupied (in sq. ft)	600	400	500	300	200
Proportion of time spent by Manager	5	4	3	2	1
No.of employees	5	6	4	3	2

Expenses of D and E are to be distributed as under:

Particulars	A	B	C	D	E
Dept. S	20%	30%	40%	--	10%
Dept. T	30%	40%	30%	--	--

Prepare statement showing apportionment of indirect expenses to Production Department.

Que-5 H Ltd. manufactured and sold 1,000 instruments for the year ending 31/03/2017. (14)
Summarised Trading and Profit & Loss Account for the year ending is as under:

Particulars	Amount (Rs)	Particulars	Amount(Rs)
To Direct Materials	2,00,000	By Sales	7,75,000
To Direct Wages	3,00,000		
To Manufacturing Charges	1,50,000		
To Gross Profit	1,25,000		
TOTAL	**7,75,000**		**7,75,000**
To Administrative expenses. Fixed- 50,000 Variable-10,000	60,000	By Gross Profit	1,25,000
To selling expenses Fixed- 5,000 Variable-20,000	25,000		
To Net Profit	40,000		
TOTAL	**1,25,000**		**1,25,000**

For the year 2017-2018, it is estimated that:

1. Production and sales will be of 1,250 instruments.
2. Price of the material will rise by 25%.
3. Wage Rate will rise by 10 %.
4. Manufacturing Charges will increase in proportion to the combined cost (or expenses) of material and wages.

Prepare Cost Sheet for the year ending 31/03/17 and prepare an estimated cost sheet, showing the price at which instruments to be sold in 2017-2018 as to earn a profit of 20% on Selling Price.

OR

Que-5 XYZ Transport Company has been given a route of 40 kilometers (one way) for running buses. The company has 2 buses, each costing Rs.1,10,000 and having a life of 10 years, with a scrap value of Rs.14,000 per bus. From the following estimated expenditure and other details, calculate cost per passenger kilometer and the bus fare to be charged to each passenger, for each way journey, assuming 50% profit on takings.

Insurance Charges	3 % p.a
Annual tax for each bus	2,100 Rs
Total Garage Rent(of both buses per month)	1,200 Rs
Annual Repairs of each bus	3,000 Rs
Driver's Salary for each bus per month	900 Rs
Conductor's Salary for each bus per month	600 Rs
Administration Expenses per month (for both the buses)	4,800 Rs
Diesel & Oil Expenses per 100 kms	50 Rs.

Each bus will make four round trips per day, carrying on an average 50 passengers, on each trip. The bus will run on an average for 25 days in a month

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