647510 **BBAcstCC5060** **Seat No :________**

B.B.A. Semester - 5 (Remedial) (*CBCS*) Examination
March/April-2022(Old Course)
COST ACCOUNTING (CORE)

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

Instructions:

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

Q-1 Discuss the Difference between Financial Accounting and Cost Accounting? (14)

OR

Q-1 Write Notes on

1. Cost Centre
2. Elements of Cost

Q-2 A. Stock Turnover Ratio=8, (07)

Average stock = Rs 50,000

Closing stock is Rs 10,000 more than opening stock

Find out :

(1) Opening stock (2) Closing stock

(3) Purchase (4) Turnover period

Q-2 B. Following in formations is related to materials ABC. (07)

(1) Monthly consumption of ABC = 1,000 Units

(2) Expenses of placing an order = Rs. 100

(3) Annual carrying cost unit = Rs. 15

(4) Average weekly consumption = 50 units

(5) Weekly minimum consumption = 25 units

(6) Weekly maximum consumption = 75 units

(7) Time period for ordering = 4 to 6 weeks.

You are required to determined, Economic order quantity, ordering level, Minimum level, Maximum level and average stock level.

OR

Q-2 A. Calculate the inventory turnover ratio and inventory turnover period from the particulars given below (07)

Ordering Level	8000 units
Maximum stock level	24000 units
Minimum stock level	4000 units
Re-ordering Quantity	20000 units
Normal usage per day	800 units

Q-2 B. R.K.Tubes Ltd Furnishes Following Information (07)

Expenses of Placing an order Rs 100, average consumption 100 units weekly, Carrying Cost annual 20%, minimum consummation 50 units weekly, price of materials Rs 500 per unit maximum consumption 200 Units weekly Time period of delivery ordering 6 to 8 weeks.

Find out: Economics order quantity, ordering level minimum level and maximum level.

Q-3 from the records of Patel Mills following details is available for April 2021. (14)

No of worker at beginning of the month	855
No of worker at the end of the month	945
No of employees releaved	27
No of employees retired	03
No of employees resigned	06
No of worker employees appointed on existing post	18
No of employees newly appointed due to expansion programme	105

Calculate Labour turnover Rate by Various Methods.

OR

Q-3 from the following details calculates total wage and effective rate of earning per hour under Halsey and Rowan Plan. And also effective of earning per hour

Name of Worker	**A**	**B**	**C**	**D**	**E**
Standard time allowed in Hours	9	12	15	18	21
Actual Hours	15	9	12	15	9
Wage Per hour	6.00	6.00	6.00	6.00	6.00

Q-4 following details are available from books of A Shah Ltd. (14)

Particulars	Department 1	Department 2	Department 3
Indirect material	1200	1800	600
Repair	3000	6000	3000
Expenses of service dept.	1800	1800	1200
Plant value	300000	240000	180000
Plant hours	3000	9000	6000
Space occupied (Sq. ft.)	3000	6000	3000
Horse power	150	90	60

Other Expenses

Depreciation Rs 69,000, Power Rs 16,200, Salary Rs 72,000,

Insurance Premium Rs 7,200 Light Rs 2,400

You have to calculate :

Machine Hour Rate for each department for absorption of overheads, In a job cost of material is Rs 600 and Labour Rs 120and Job passes through Department 1,2and 3 for 2 hours, 5hours, and 4 hours respectively. Find out the cost of the job.

OR

Q-4 In factory P, Q and R are production department and S and T are service departments.

Following are the details for March 2021:

Indirect Labor Rs 2,600	Insurance Rs 6,600
Canteen Exp Rs 12,000	Lighting Rs 4,000
Factory managers salary Rs 36,000	Rent and taxes Rs 10,000
ESI contribution Rs 1,300	Depreciation Rs 33,000
Power Rs 18,000	

Other information :

Expenses of S and T are to be distributed as under

Particulars	**P**	**Q**	**R**	**S**	**T**
Dept. S	20%	30%	40%	-	10%
Dept. T	30%	40%	30%	-	-

Particulars	**P**	**Q**	**R**	**S**	**T**
Light points	6	5	4	3	2
Direct Labor (Rs)	4500	4000	2900	1200	400
Value of plant (Rs)	72000	48000	36000	1200	1200
Horse power	4	6	2	-	-
Space occupied (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

Prepare statement showing apportionment of indirect expenses to production Departments.

Q-5 Following is the trading and profit and loss account of the Maahi Ltd. for the year ending Dated. 31-3-2020 Sales and production 1000 instrument during this year. (14)

Particulars	**Rs**	**Particulars**	**Rs**
To Cost of materials	2,00,000	Sales	7,75,000
To Wages	3,00,000		
To Manufacturing charges	1,50,000		
To Gross profit	1,25,000		
	7,75,000		**7,75,000**
To Administrative expense:		By Gross profit	1,25,000
Fixed 50,000			
Variable 10,000	60,000		
To selling expense :			
Fixed 5,000			
Variable: 20,000	25,000		
To net profit	40,000		
	1,25,000		**1,25,000**

Additional Information for the year 2021, it is estimated that:

1. Production and sales will be of 1250 instruments.
2. Price of materials will rise by 25%
3. Wages rates will rise by 10%.
4. Manufacturing charges (or expenses) will increase in proportion to The combined cost of materials and wages

Prepare an estimated cost sheet, showing the price at which instruments to be sold in 2021 as to earn profit of 20 % on selling price.

OR

Q-5 Vihar Travels has a tempo. They have provided you the following information. You are required to prepare statement showing calculation cost of travelling per k.m.

particulars	**Rs.**
Cost of tempo	1,00,000
Road lines (annual)	3,000
Supervision and salary (expense annual)	7,200
Driver's wages per hour	16
Petrol expense per liter	6
Repair and maintenance expense (per k.m.)	4
Tyre expense (per k.m.)	2
Garage rent(annual)	6,400
Insurance premium (annual)	3,400
Average k.m. per litre	20k.m.
Travelling during the year	30,000 k.m.
Estimated life of tempo	1,50,000 k.m.
Annual interest rate on- cost of tempo	10%
Running of tempo per hour (average)	20k.m.

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