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

B.B.A. Semester - 5 (*CBCS*) Examination
Oct/Nov - 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.

Q.1 What is Cost Accounting? Differentiate between Financial Accounting and Cost Accounting. (14)

OR

Q.1 What is Cost? Explain Classification of Costing in Detail.

Q.2 Jay Ltd. provides the following data: (14)

1) Maximum time period for delivery of material is 25 days
2) Minimum time period for delivery of material is 15 days
3) Time period for emergency purchase is 4 days
4) Economic order quantity is 4,800 units
5) Maximum consumption of materials is 1,200 units
6) Minimum consumption of materials is 400 units

Find out:

1) Re-ordering level
2) Minimum level
3) Maximum level
4) Danger level
5) Average level

OR

Q.2 What are the Types of Materials? Also Explain the Material Control Techniques.

Q.3 From the following particulars of Raj Ltd. for March 2022, calculate Labour Turnover Rate according to Replacement method and Separation method. (14)

Number of workers at beginning of the month	2100
Number of workers at end of the month	1100
Number of workers left during the month	150
Labour Turnover Rate by Flux Method	25%

OR

Q.3 Bhakti Ltd. provides the following details. Calculate total wages and effective rate of wage per hour under Halsey and Rowan Plan.

Name of worker	Raj	Nayana	Jay	Guddi	Jigu
Standard time allowed in hours	4	5	6	7	8
Actual Hours	5	3	4	5	3
Wages per hour(`)	5	5	5	5	5

Q.4 In the factory of BRS Ltd., X,Y, and Z are production departments and P and Q are service departments. Following are the details for March 2022. (14)

Particulars	Amount (`)
Indirect Labour	2,600
Insurance	6,600
Canteen expenses	12,000
Lighting	4,000
Factory manager's salary	36,000
Rent and taxes	10,000
ESI Contribution	1,300
Depreciation	33,000
Power	18,000

Other information:

Particulars	X	Y	Z	P	Q
Light points	6	5	4	3	2
Direct labour (`)	4,500	4,000	2,900	1,200	400
Value of plant (`)	72,000	48,000	36,000	1,200	1,200
Hourse power	4	6	2	-	-
Space occupied(Sq. ft.)	600	400	500	300	200
Proportion of time spent by manager	5	4	3	2	1
Number of employees	5	6	4	3	2

Expenses of P and Q are to be distributed s under:

Particulars	X	Y	Z	P	Q
Department P	20%	30%	40%	-	10%
Department Q	30%	40%	30%	-	-

Prepare statement showing apportionment of indirect expenses to Production Departments.

OR

Q.4 Production department of factory provides following particulars during a month.

Material consumed	` 72,000
Direct labour	` 60,000
Direct labour hours	24,000
Machine hours	20,000
Overheads allocated to production department	` 48,000

During the month, particulars for certain manufacturing activities are as under:

Material used	` 4,000
Direct labour	` 3,300
Direct labour hours	1,650
Machine hours	1,200

Explain and calculate apportionment of factory overheads to manufacturing activities on the basis of:

1) Percentage of direct labour 2) Direct labour hour rate 3) Machine hour rate

Q.5 Nayana Ltd. produced and sold 5000 units of units at its 50% production Capacity in the year 2021. Selling price per unit is ` 49.20 : (14)

Particulars	`
Materials	50,000
Direct Wages	25,000
Direct Expenses	10,000
Factory Overheads(40% Variable)	50,000
Administrative Overheads(fixed)	40,000
Selling Overheads (30% Variable)	30,000
	2,05,000

For the year 2022 it is estimated that:

1) Production will be 10,000 units and sales will be 6,000 units.
2) Price of Materials will go up by 20%.
3) In addition to be proportionate increase in number of workers, another additional wages of ` 10,000 are to be paid.
4) Factory Expenses (Variable and Fixed) will increase by 10%.
5) Administrative overheads will increase upto ` 50,000.
6) Selling Expenses per unit will go up by ` 0.2.
7) Fixed selling expenses will go up by ` 3,000.
8) The percentage of profit on cost is to be maintained according to previous year.

From the above information, prepare the following statements:

1) A cost statement for the year 2021.
2) A cost statement showing estimated profit for the year 2022.

OR

Q.5 Shah Transport Company operates buses on a route of 40 kilometers long. Company is having two buses. Calculate cost per passenger kilometer from the following details and also decide single route ticket charges assuming that company earns profit at 50% on cost.

Particulars	`
Value of each bus	4,62,000
Scrap value of each bus	58,800
Life of each bus	10 years
Insurance charge (yearly)	3%
Annual tax of each bus	12,000
Total garage rent(for two buses) monthly	5,040
Annual repair expense for each bus	12,600
Driver's salary for each bus monthly	10,000
Conductor's salary for each bus monthly	8,000
Administrative expenses(for both buses) monthly	20,160
Diesel oil charges of 100 km	150

Each bus will carry 50 passengers on average bases in each trip and shall conduct four round trips in a day. In a month, buses will run for 25 days.

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