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

B.B.A. Semester - 5 (Remedial) (*CBCS*) Examination
March/April-2023 (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 Discuss the meaning of Cost Accounting and its scope. (14)

OR

Q.1(A) Discuss Advantages and limitations of Cost Accounting. (07)

Q.1(B) Difference between Cost Accounting & Financial Accounting. (07)

Q2 (A) The following data were obtained from the store department of Jalpa Ltd for a year. Calculate the following (07)

1. Closing Stock 2. Consumption of Material 3. Material Turnover Rate

Opening Stock – Rs. 35000
Purchase – Rs. 95,000
Average Stock- Rs. 30,000

Q.2(B) From the following information find out the Purchase: (07)

Opening Stock – Rs. 1,00,000
Average Stock- Rs. 1,40,000
Inventory Turnover Ratio- 4 times

OR

Q.2 **From the following information of PB Ltd:** (14)

Find out : 1. Re- order level 2. Minimum Level 3. Maximum Level. 4. Average Level 5. Danger level

Maximum Delivery Period- 45 days
Average Delivery Period- 35 days
Minimum Delivery Period-25 days
Maximum Delivery time for emergency purchase- 5 days.
Maximum rate of consumption per day- 30 units.
Average Rate of Consumption per day- 25 units.
Minimum rate of consumption per day-20 units.
Ordering Quantity – 600 units.

Also find EOQ from the following information

Consumption of Raw material for 6 months = 12,000 units. Cost per Unit is Rs. 20, cost of placing an order is Rs. 100. Cost of storing is 25 %.

Q.3 A worker working in **RR Ltd** has been allowed to complete a work in 12 hours, but he completes the work in 9 hours. Labour rate per hour is Rs. 2. If the cost of material is Rs. 8 and factory overheads are 150 % of direct labour then, calculate total factory cost of a product according to Time Wage, Piece Wage, Halsey Plan and Rowan Plan. (14)

OR

Q.3 **Information regarding workers of Narayan Ltd. Is as under:**

-Number of workers as on 1st june - 9,000
-Number of workers as on 30th june- 11,000
-Number of workers who resigned- 600
-Number of workers suspended - 1,000
-Number of workers retired- 1,200
-Labour Turnover as per Flux Method- 30%.
Recruitment (new)- 1,400

Out of a new recruitment 40 % of workers appointed under expansion plan.

Find out :

Labour turnover rate by replacement method, separation method, flux method & annual equivalent LTR as per all the three methods.

Q.4 **Discuss Classification of Overheads in detail** (14)

OR

Q.4 **In a factory A, B & C are production departments and M & N are service departments. Following are the details of March 2022.**

Particulars	**Amount in Rs.**
Indirect Labour	1,300
Insurance	1,320
Canteen Expenses	1,800
Lighting	480
Factory Manager's Salary	2,400
Rent & Taxes	20,000
ESI Contribution	650
Depreciation	3,300
Power	2,400

Other Information:

Particulars	A	B	C	M	N
Light Points	6	5	4	3	2
Direct Labour(in Rs.)	2,250	2,000	1,450	600	200
Value of Plant (in Rs)	30,000	20,000	15,000	500	500
Consumption of Power (on the basis of units)	400	600	200	----	----
Space occupied (in sq.ft)	300	200	250	150	100
Proportion of time spent by Manager	5	5	4	1	1
No.of employees	10	12	8	6	4

Expenses Of M and N are to be distributed as under.

Particulars	**A**	**B**	**C**
Dept. M	25%	35%	40 %
Dept. N	30%	40%	30%

Prepare statement showing apportionment of indirect expenses to Production Department.

Q.5 **Mihir Travels** has a tempo. They have provided you the following information . You are required to prepare statement showing calculation cost of travelling per kilometer. (14)

Particulars	**Rs**.
Cost of Tempo	1,00,000
Road Lines Fee (Annual)	3,000
Supervision & Salary (Annual)	7,200
Drivers Wages per hour	16
Petrol Expenses per litre	6
Repairs and Maintenance Expense (per km)	4
Tyre Expenses (per km)	2
Garage Rent (Annual)	6,400
Insurance Premium (Annual)	3,400
Average k.m. per litre	20 km
Travelling during the year	30,000 kms
Estimated life of tempo	1,50,000 kms
Annual Interest (rate) on – Cost of Tempo	10 %
Running of Tempo per hour (Average)	20 k.m

OR

Q.5 Arva Ltd. manufactured and sold 1,000 instruments for the year ending 31/03/2022. 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.		By Gross Profit	1,25,000
Fixed 50,000			
Variable 10,000	60,000		
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 2021-2022, 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 31/03/22 and prepare an estimated cost sheet, showing the price at which instruments to be sold in 2022-2023 as to earn a profit of 20% on Selling Price.

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