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

B.B.A. Semester - 5 (CBCS) Examination
Oct/Nov. - 2018
COST ACCOUNTING (CORE)

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

Instructions:

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

Q-1 Following is the trading and profit and loss account of the Mahadev Ltd. For the year ending Dated. 31-03-2018 (14)

Sales and production 1200 Machine during this year

Particulars	Rs	Particulars	Rs
To cost of materials	48000	Sales	240000
To wages	72000		
To manufacturing charges	30000		
To gross profit	90000		
	240000		240000
To salaries of office staff	36000	By Gross profit	90000
To Rent and Taxes	6000		
To Sales expenses	12000		
To General expenses	18000		
To net profit	18000		
	90000		90000

Additional Information for the year 2018-19

(1) Production and sales will be of 1500 machines

(2) Price of materials will rise by 25%

(3) Wages rates will rise by 12.5%

(4) Manufacturing charges (or expenses) will increase in proportion to The combined cost of materials and wages

(5) Selling expenses per unit will remain unchanged

(6) Other expenses will remain unchanged (or unaffected) even by the rise in production

OR

Q-1 Shiv Transport company possesses fleet of 15 buses following particulars are avallable. (14)

10 Buses (90% capacity occupied in each trip)

5 Buses (75% capacity occupied in each trip)

Seating capacity of each bus is of 40 passengers. Each bus performs 6 trips in a day and covers 20 km distance in a trip. Buses operates for 25 days in a month

From the following details of expenses prepare operating cost sheet showing cost per paasenger km

	Rs
Salary of each driver	4000(monthly)
Salary of each conductors	2000(monthly)
(There are two conductors in one bus)	
Tiffin Allowance for driver	60(per day)
Tiffin Allowance for conductor	40(per day)
Diesel (5km per liter)	13.50 per liter
Oil per km	1.00
Maintenance for each bus	2500(monthly)
Tyre tube expenses per bus	6500(monthly)
Depreciation for all buses	24 Lakhs(yearly)
Service charge per bus	6000(yearly)
Interest on capital for all buses	8 Lakhs(yearly)
Insurance per bus	8000(yearly)
Road tax per bus	20000(yearly)
Misc. expenses for each bus	1250(yearly)
General supervision charges	360000(yearly)

Q-2(A) From the following information of Somanath Co.Ltd., (04)

Calculate cost per unit:

Annual consumption	2500 units
Ordering cost	Rs 200
Economic ordering Quantity	1000 units
Carrying cost	10%

Q-2(B) From the following information calculate : (10)

(1) Reordering level (2) Maximum level (3) Minimum level (4) Danger level

(5) Safety level

Maximum delivery period	65 days
Maximum delivery period for emergency procurement	10 days
Average delivery period	10 days
Minimum consumption daily	850 units
Average consumption daily	1050 units

The ratio between Reordering level and Economic Ordering Quantity is 5:1 respectively

OR

Q-2(A) From the following information calculate inventory turnover ratio and Turnover period (04)

(1) Opening stock 10000 units

(2) Purchase(annum) Rs 85000

(3) Adjusted purchases Rs 75000

Q-2(B) From the following information of Jagnath limited find out (10)

(1) Reordering level (2) minimum level

(3) Maximum level (4) average level

(5) Danger level (6) safety level

Maximum time for procurement goods 50 days. Maximum time of emergency procurement 8 days average time for procurement of goods 40 days. Minimum daily consumption 1600 units. Average daily consumption 2000 units

Economic reordering quantity (EOQ) is 1/6 of reordering level

Q-3(A) From the following information find out the labour turnover rate on the basis (07)

(1) Separation method (2) Replacement method (3) Flux(composite) method

Number of workers at the beginning of the year	560
Number of workers at the end of the year	640
Number of workers who left during the year	72
Number of workers newly recruited in place of workers who left during the year	60

Q-3(B) During the first week of April 2018 Mr.Hari manufactures 600 articles. He receives wages for the guaranteed 48 hours week at the rate of Rs 4 per hour the estimated time to produce one article is 10 minutes and under incentive scheme the time allowed is increased by 20 % (07)

Calculate his gross wages according to:

(1) Halsey plan (2) Rowan plan

OR

Q-3 Information regarding workers of Satyam, Shivam & Sundaram Ltd. Is as under: (14)

No. of workers as on 01-03-16	550
No. of workers as on 31-03-2016	?
No. of workers resigned	55
No. of workers dismissed	22
No. of workers retired	38
No. of workers newly appointed (Out of which 250 workers were taken under expansion plan)	315
Labour turnover rate as per flux Method	30%

Find out

(1) No of workers as on 31-03-2016

(2) Labour turnover rate as per replacement method and as per separation method

(3) Equivalent annual turnover rate on basis of replacement and separation method

Q-4(A) In factory A, B and C are production department and D and E are service departments. Following are the details for March 2007

Indirect Labour	1300	Insurance	3300
Canteen Exp	6000	Lighting	2000
Factory managers salary	18000	Rent and taxes	5000
ESI contribution	650	Depreciation	16500
Power	9000		

Particulars	A	B	C	D	E
Light points	6	5	4	3	2
Direct Labour(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

Other information

Expenses of D and E are to be distributed as under

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

Prepare statement showing apportionment of indirect expenses to production Departments.

OR

Q-4 Following are the figures of overhead expenses of factory during July (14)

	Rs.
Rent and taxes	1500
Power	600
Light	200
Misc.exp.	300
Depreciation	200
Canteen Expense	200
Indirect Labour	200
Repairs	100

Additional information furnished is as under:

Machine	Space occupied (Sq.Ft)	Lighting points	Plant Value Rs	No. of Employees	Power Rs	Direct Labour Rs
A	200	4	25000	3	250	200
B	400	12	15000	6	150	300
C	600	24	10000	6	200	500

Q-5 Write Short Notes (Any Two) (14)

1. Objective & Advantage of Cost Accounting
2. Difference Between Financial Accounting and Cost Accounting
3. Marginal Cost

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