



**RP-161100010506**

Seat No. \_\_\_\_\_

**B. B. A. (Sem. V) (CBCS) Examination**

**February - 2019**

**Cost Accounting**

Time :  $2\frac{1}{2}$  Hours]

[Total Marks : 70

1 (a) From the following information find out : 7

- (1) Economic order quantity per order
- (2) Number of order per annum and
- (3) Time between two consecutive orders

The annual demand-consumption-foe a product is 6400 units. The per unit cost is Rs.6 and inventory carrying cost per unit per annum is 25% of the average inventory cost. The cost of procurement is Rs. 75.

(b) Find out stock, turnover rate : 7

Opening stock	Rs. 1,80,000
Closing stock	Rs. 1,44,000
Purchase	Rs. 14,00,000

As per general tradition of the company stock is to be reduced at 10% less to its cost price.

**OR**

1 (a) State the characteristics of an ideal Cost Accounting System. 7

(b) Write notes on : 7

- (i) Cost center and
- (ii) Cost Unit.

2 Time allowed for completion of work is 150 hours and 14  
time taken to complete the work is 125 hours. Labour rate per hour is Rs. 4.80 and if material consumed is for Rs. 350 and factory overheads are 25% of prime cost find out factory cost per: Piece wage, Time wage, Rowen plan and Halsey Premium Plan.

**OR**

2 From the following information find out the labour turnover rate on basis of : 14

- (1) The Separation method
- (2) The Replacement method
- (3) Flux method

Number of workers at beginning of the year ..... 280  
 Number of workers at end of the year ..... 320  
 Number of workers who left during the year ..... 36  
 Number of workers newly recruited in place of workers  
 who left during the year ..... 30

3 In a factory, A, B and C are production departments and D and E are service departments. Following are the details for March 2017. 14

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

Other Information :

Particulars	A	B	C	D	E
Light Points	6	5	4	3	2
Direct Labour Rs.	4,500	4,000	2,900	1,200	400
Value of Plant Rs.	72,000	48,000	36,000	1,200	1,200
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

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**

- 3 Following are the figures of overhead expenses of a factory 14 during July 2017. Determine machine hour rate for Machine A which operates for 108 hours during the month.

Rent and Taxes .....	1,500
Power .....	600
Light .....	200
Misc. Exp. ....	300
Depreciation .....	200
Canteen Exp. ....	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	25,000	3	250	200
B	400	12	15,000	6	150	300
C	600	24	10,000	6	200	500

- 4 JAY Ltd. produced and sold 10,000 'Mobile' during 2017. 14 The particulars are as under. Selling price per unit is Rs. 390.

Particulars	Amount Rs.
Materials	13,00,000
Direct wages	7,00,000
Direct expenses	1,00,000
Factory expenses (40 % variable)	7,00,000
Office expenses (fixed)	2,80,000
Selling expenses (70 % variable)	3,20,000
Total amount	34,00,000

During the year 2018 production and sale is estimated at 50,000 'Mobile'. The additional information is as under ;

- (i) Direct wage per unit will decrease by 20%.
- (ii) Fixed factory expenses will increase by Rs. 3,00,000.
- (iii) Office expenses will increase by 25 %.
- (iv) Variable selling expenses will rise by Rs. 0.80 per unit.
- (v) 25 % profit is estimated on cost.

**Prepare :**

- (i) Statement of cost per unit and total cost of 2017.
- (ii) Estimated cost statement of 2018.

**OR**

4 NEELMADHAV Transport Company supplies the 14  
following details in respect of a Truck of 5 Tone capacity.

- |  |                          |
|--|--------------------------|
| (1) Cost of Truck  | Rs. 3,00,000             |
| (2) Estimated life   | 10 years                 |
| (3) Estimated sales value of truck<br>at the end of its life | Rs. 30,000               |
| (4) Diesel, Oil, grease                                      | Rs. 40 per trip each way |
| (5) Driver's wages   | Rs. 1,800 per month      |
| (6) Cleaner's wages  | Rs. 1,200 per month      |
| (7) Repairs and maintenance                                  | Rs. 15,000 per year      |
| (8) Insurance  | Rs. 1,200 per year       |
| (9) Tax  | Rs. 7,200 per year       |
| (10) General supervision charges                             | Rs. 14,400 per year      |

The Truck carries goods to and from the city covering a distance 40 kms each way the truck makes two round trips per day.

On outward trip freight is available to the extent of full capacity and on return 50% capacity. The truck runs on average 25 days a month.

**Work out :**

- (1) Operating cost tonne km.
- (2) Rate per tonne per trip that the company should charge if a profit of 50% on freight is to be earned.
- (3) Freight of each outward trip.

5 Write short note : (any two) 14

- (1) EOQ
- (2) Idle Time and Over Time
- (3) Machine Hour Rate
- (4) Passenger - Kilometer