



**DBR-161100010506**

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

**B. B. A. (Sem. V) (CBCS) (W.E.F. 2016) Examination**

**June - 2022**

**Cost Accounting**

*(New Course)*

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

[Total Marks : 70

**Instructions :**

- (1) Figures to the right side indicate marks.
- (2) Calculation and working note if required are to be shown with relevant answer.
- (3) You are required to attempt any five questions.

- 1 What is meant by Cost Accounting ? Discuss the advantages and limitation of Cost Accounting. 14
- 2 Write a note on : 14
  - (1) Cost unit and cost centre
  - (2) Elements of cost and cost methods.
- 3 (a) From the following data, calculate economic ordering quantity of "Madhav Ltd." 7
  - (1) Monthly consumption 4000 units
  - (2) Unit Price Rs. 40
  - (3) Carrying expenses per unit Rs. 1.40
  - (4) Insurance expenses per unit Rs. 2.00
  - (5) Storage expenses per unit Rs. 0.60
  - (6) Cost of placing an order Rs. 30

(b) Find out : 7

  - (1) Ordering level
  - (2) Minimum level
  - (3) Maximum level
  - (4) Economic Ordering Quantity (EOQ) from the following details :

- (a) Annual consumption 10000 units  
 (b) Cost of placing an order Rs. 70  
 (c) Annual carriage expenses (per unit) Rs. 35  
 (d) Weekly average consumption 200 units  
 (e) Minimum weekly consumption 150 units  
 (f) Reordering time 4 to 6 weeks
- 4 (a) Calculate from the data provided : 7  
 (1) Price per unit of materials  
 (2) Number of order during the year  
 (3) Time lag between two orders  
 Six months consumption 1,250 units  
 Order cost Rs. 200  
 Carrying cost 10%  
 EOQ 1,000 units
- (b) Calculate material purchases from the following : 7
- | Particulars        | Materials - 1 | Materials - 2 |
|--------------------|---------------|---------------|
| Opening stock      | 30,000        | 50,000        |
| Closing stock      | 20,000        | 50,000        |
| Materials Turnover | 6 times       | 6 times       |
- 5 The wage rate per hour is Rs. 7 in a factory. Amit has received 14  
 Rs. 384 according to Rowan plan and Rs. 336 according to time  
 wages system. Materials cost of product is Rs. 775 and factory  
 overheads are recovered at 50% of total wages. Calculate total  
 factory cost of a product according to Time Wage piece wages,  
 Halsey plan and Rowan plan.
- 6 From the following information of “Madhav Ltd.” find out net 14  
 wages payable in cash for March-2014 and find out yearly cash  
 wages payable.
- (1) Salary per month Rs. 40,000  
 (2) Dearness Allowance 120% of salary  
 (3) Overtime allowance Rs. 10,000 (monthly)  
 (4) Total amount deposited in provident fund (monthly) – Rs.  
 6,000  
 (5) Monthly total amount deposited in ESIS is Rs. 7,500.  
 (6) House Rent recovered from 8 employees at the rate of  
 Rs. 500 per month.

Employee's contribution to provident fund is at equal rate with employees contribution, while ratio of employer's and employee's share into the contribution to Employee's State Insurance Scheme is 2:1.

- 7 The Ami Dhara Ltd. is having three production department's A, B and C and one service department D. During the month of January 2021, the working days are 25, each day of 8 hours. The following data is available from its book :

	Rs.
Factory Rent .....	75,000
Supervisors salary .....	36,000
Factory lighting .....	30,000
Depreciation of machinery .....	4,500
Worker's welfare expenses .....	2,100

Other information is as under. On the basis of that, find out "Direct worker hours Rate" for each department.

Particulars	A	B	C	D
(1) Number of light points	16	8	12	4
(2) Space occupied (sq. feet)	600	400	500	500
(3) No. of workers	500	300	200	200
(4) Proportion of allocation of supervisor's salary	3	2	2	3
(5) Price of machine	50,000	30,000	70,000	-
(6) Indirect Wages	16,765	8,705	14,930	6,000
(7) Service render by service department	40%	30%	30%	-

- 8 (a) Explain, fixed variable and semi-variable expenses with illustration. 7
- (b) Write notes on : Direct Labour Hours rate. 7
- 9 "Ami Dhara Ltd" produced and sold 1,000 mobile at its 50% capacity. The details are as under for the year ended on 31-12-2020. 14

<b>Particulars</b>	<b>Rs.</b>
Material .....	10,00,000
Direct Labour .....	6,00,000
Direct expenses .....	2,00,000
Factory indirect exp (50% variable) .....	4,00,000
Office Indirect Exp. (Fixed) .....	3,00,000
Selling and distribution expenses (40% variable) .....	2,00,000
Sales .....	32,40,000

Estimate for the year 2021 :

- (1) The outlet will be at its full production capacity.
- (2) 80% of the unit's produced will be sold.
- (3) Cost of raw materials and wages per unit will increase by 20% and 10% respectively.
- (4) Factory, office and selling and distribution overhead (Fixed) will increase by Rs. 1,00,000, Rs. 80,000 and Rs. 40,000 respectively.
- (5) Variable selling expenses will increase by 25% per unit.
- (6) The rate of profit on cost will remain same as per last year.

**Prepare :**

- (1) Statement of cost showing total as well as per unit for the year 2020
- (2) Statement of cost showing estimated profit for the year 2021.

**10** Write a note on :

**14**

- (1) Explain the meaning of operating costing and narrate its characteristics.
- (2) Valuation of work-in-progress in cost sheet.