

**0205**

**B.B.A. II<sup>nd</sup> SEMESTER EXAMINATION, 2019**

**Paper – Vth**

**Cost Accounting**

Time: Three Hours

Maximum Marks: 80

**PART – A (खण्ड – अ)**

[Marks: 20]

*Answer all questions (50 words each).*

*All questions carry equal marks.*

सभी प्रश्न अनिवार्य हैं। प्रत्येक प्रश्न का उत्तर 50 शब्दों से अधिक न हो।

सभी प्रश्नों के अंक समान हैं।

**PART – B (खण्ड – ब)**

[Marks: 40]

*Answer five questions (250 words each),*

*selecting one from each unit. All questions carry equal marks.*

प्रत्येक इकाई से एक-एक प्रश्न चुनते हुए, कुल पाँच प्रश्न कीजिए।

प्रत्येक प्रश्न का उत्तर 250 शब्दों से अधिक न हो।

सभी प्रश्नों के अंक समान हैं।

**PART – C (खण्ड – स)**

[Marks: 20]

*Answer any two questions (300 words each).*

*All questions carry equal marks.*

कोई दो प्रश्न कीजिए। प्रत्येक प्रश्न का उत्तर 300 शब्दों से अधिक न हो।

सभी प्रश्नों के अंक समान हैं।

## **PART – A**

Q.1 Answer all questions -

- (a) What do you mean by Cost Accounting? Write any two objectives of Cost Accounting.
- (b) What is EOQ? How is it calculated?
- (c) What is Labour Turnover? What are the causes of labour turnover?
- (d) Calculate wages under Halsey Plan -  
Time Allowed – 48 Hours  
Time taken – 40 Hours  
Rate Per hour – ₹ 100
- (e) Differentiate between allocation and apportionment.
- (f) What do you mean by over absorption of overheads?
- (g) What do you mean by activity based costing?
- (h) What is Cost Sheet?
- (i) What is Notional Profit?
- (j) What is the main difference between joint product and by – product?

## **PART – B**

### **UNIT – I**

Q.2 Explain in detail the nature and scope of Cost Accounting.

### **OR**

Sanjay enterprise manufactures a special product “XEM”. The following particulars were collected for the year 2018 :

- (a) Monthly demand of XEM – 1,000 units
- (b) Cost of placing an order ₹ 100.
- (c) Annual carrying cost per unit ₹ 15.
- (d) Normal usage 50 units per week.
- (e) Minimum usage 25 units per week.
- (f) Re – order period 4 to 6 weeks.

Compute from the above –

- (1) Re – order quantity
- (2) Re – order level
- (3) Minimum level
- (4) Maximum level
- (5) Average stock level

## UNIT – II

Q.3 What do you mean by Labour Turnover? How is it measured? Also explain cost associated with labour turnover.

**OR**

From the data given below, calculate the comparative works cost for a job in factory A & factory B :

	Factory A	Factory B
Methods of payment of wages	Halsey Plan (50%)	Rowan Plan
Standard time for the job	250 Hours	240 Hours
Actual time taken	200 Hours	210 Hours
Hourly rate of wages	₹ 2.50	₹ 3.00
Material cost for the job	₹ 1,000	₹ 900
Factory overheads	150% of wages	$133\frac{1}{3}\%$ of wages

## UNIT – III

Q.4 What are the different methods of absorption of factory overhead? Discuss at least four methods.

**OR**

During the year ended 31<sup>st</sup> March, 2019 the factory overhead costs of three production departments of an organisations are as under :

	₹
x	48,950
y	89,200
z	64,500

The basis of apportionment of overheads is given below :

Department	x – ₹ 5 per machine hour for 10,000 hours
	y – 75% of Direct Labour cost of 1,20,000
	z – ₹ 4 per piece for 15,000 pieces

Calculate departments wise under or over – absorption of overheads and present the data in a tabular form.

### UNIT – IV

Q.5 From the following particulars you are required to prepare a statement showing

- (a) The cost of materials consumed
- (b) Prime cost
- (c) Works cost
- (d) Total cost
- (e) The % of works overheads to productive wages and
- (f) The % of general overheads to works cost :

Particulars	₹
Stock of finished goods on 1.4.2018	72,800
Stock of Raw Materials on 1.4.2018	33,280
Purchases of Raw Materials	7,59,200
Productive wages	5,16,880
Sales of finished goods	15,39,200
Stock of finished goods on 31.3.2019	78,000
Stock of Raw Materials on 31.3.2019	35,360
Works Overheads charges	1,29,220
Office and General Expenses	70,161

### OR

Explain –

- (a) Activity Based Costing
- (b) Cost Driver
- (c) Absolute and Commercial Tonne kms.
- (d) Hospital Costing

### UNIT –V

Q.6 What is Work – in Progress and how is it calculate in a Contract Account and shown in Balance Sheet?

**OR**

A product passes through two district processes A and B and thereafter, it is transferred to finished stock. The output of A passes to B and that of B to finished product. From the following information, prepare Process Account.

	Process A	Process B
Materials consumed	₹ 12,000	₹ 6,000
Direct Labour	₹ 14,000	₹ 8,000
Manufacturing expenses	₹ 4000	₹ 4,000
Input in Process A (units)	10,000	-
Input in Process A (value)	₹ 10,000	-
Output (units)	9400	8300
Normal wastage, (% of Input)	5	10
Value of normal waste (per 100 units)	₹ 8	₹ 10

**PART – C**

Q.7 The following information is provided by BMW Industries for the fort night of December 2018 :

Materials Stock on 1.12.2018, 100 units @ ₹ 5 per unit.

Purchases

5.12.2018 300 units @ ₹ 6

8.12.2018 500 units @ ₹ 7

12.12.2018 600 units @ ₹ 8

Issues

6.12.2018 250 units

10.12.2018 400 units

14.12.2018 500 units

Prepare a store ledger account by FIFO & LIFO Methods.

Q.8 The extracts from the payroll of a factory is as follows :

No. of Employees at the beginning of April 2017	- 150
No. of Employees at the end of April 2017	- 250
No. of Employees resigned during April 2017	- 25
No. of Employees discharged during April 2017	- 05
No. of Employees replaced due to resignations and discharged during April 2017	- 20

Calculate the labour turnover rate and equivalent annual rate for the factory by –

- (a) Separation method
- (b) Replacement method
- (c) Flux method

Q.9 How can overheads be classified? Explain fixed, variable and semi variable overheads in detail.

Q.10 Write a short note on –

- (i) Production Account
- (ii) Operating Costing
- (iii) Objectives of unit costing
- (iv) Tender cost sheet

Q.11 Input – 2000 units, Costing WIP – 200 units, Output – 1800 units

Degree of completion –

Materials – 100%, Labour – 75%, Overheads – 50%

Process Costs –

Materials            ₹ 20,000

Labour                ₹ 13,650

Overhead            ₹ 6,650

Find out –

- (i) Statement of equivalent production
- (ii) Cost per unit of equivalent production
- (iii) Prepare the process account assuming that there is no opening WIP and Process loss.

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