

**END TERM EXAMINATION**

SECOND SEMESTER [BBA] JULY 2023

Paper Code: BBA-102

Subject: Cost Accounting

BBA(B&amp;I)-102

Time: 3 Hours

Maximum Marks: 75

**Note: Attempt any five questions.**

- Q1 Answer **any five** from the following:- (3x5=15)
- Perpetual inventory system
  - Taylor's Different Piece Rate System
  - Idle time and its causes.
  - Cost Centre
  - Sunk cost
  - Material losses
  - Absorption and allocation of overheads
- Q2 'Limitation of financial accounting have made the management realize the importance of cost accounting.' Comment. (15)
- Q3 The PET Chemicals supplies you the following details from its cost records:- (15)

Stock of raw material on 1st September 2022	Rs. 85,000
Stock of raw material on 30th September 2022	Rs. 81,500
Direct wages	Rs. 52,500
Indirect wages	Rs. 2,750
Sales	Rs. 2,00,000
WIP on 1st September, 2021	Rs. 28,000
WIP on 30th September, 2021	Rs. 35,000
Purchase of raw materials	Rs. 66,000
Factory rent, rates and taxes	Rs. 15,000
Depreciation of plant and machinery	Rs. 3,500
Expenses on purchase	Rs. 1,500
Carriage outward	Rs. 1,000
Advertising	Rs. 5,000
Office rent and taxes	Rs. 2,500
Travellers wage and commission	Rs. 6,500
Stock of finished goods on 1st September 2022	Rs. 54,000
Stock of finished goods on 30th September 2022	Rs. 31,000

Prepare the cost sheet giving the maximum possible break up of cost and profit

- Q4 (a) A company uses 2,500 units of material per month. The cost of placing the order is Rs. 150. The cost per unit is Rs. 20. The reorder period is 4 to 8 weeks. The minimum consumption of raw material is 100 units whereas the average consumption is 275 units. The carrying cost of inventory is 20% per annum. You are required to calculate: (7.5)

- Re-order quantity
- Re-order level.

(b) Calculate EOQ and total cost of inventory from the following particulars: (7.5)

Annual Usage	20,000 units
Buying cost per order	Rs. 10
Cost per unit	Rs. 100
Cost of Carrying inventory	10% of cost

Q5 The standard output of a product has been fixed at 60 units per day of 8 hours. The normal wages per day is Rs. 150. Determine the total wages payable under:- (15)

- (i) Time Rate System
- (ii) Rowan plan
- (iii) Halsey plan.

When output is 50, 80, 120 and 150 units. Calculate the labour cost per unit in each case.

Q6 The following are some of the ways in which costs may be classified:- (15)

- (a) Direct and indirect cost
- (b) Variable and Fixed Cost
- (c) Controllable and Uncontrollable cost

Q7 What do you understand by 'cost plus contracts' and 'escalation clause' in contract costing? (15)

Q8 Describe the general feature of process costing. In what type of industries is process costing generally adopted? Discuss with figures the method of treatment of process loss in process costing system? (15)

\*\*\*\*\*

**END TERM EXAMINATION**

SECOND SEMESTER [BBA] JULY 2023

Paper Code: BBA-102

Subject: Cost Accounting

BBA(B&amp;I)-102

Time: 3 Hours

Maximum Marks: 75

**Note: Attempt any five questions.**

- Q1 Answer **any five** from the following:- (3x5=15)
- Perpetual inventory system
  - Taylor's Different Piece Rate System
  - Idle time and its causes.
  - Cost Centre
  - Sunk cost
  - Material losses
  - Absorption and allocation of overheads
- Q2 'Limitation of financial accounting have made the management realize the importance of cost accounting.' Comment. (15)
- Q3 The PET Chemicals supplies you the following details from its cost records:- (15)

Stock of raw material on 1st September 2022	Rs. 85,000
Stock of raw material on 30th September 2022	Rs. 81,500
Direct wages	Rs. 52,500
Indirect wages	Rs. 2,750
Sales	Rs. 2,00,000
WIP on 1st September, 2021	Rs. 28,000
WIP on 30th September, 2021	Rs. 35,000
Purchase of raw materials	Rs. 66,000
Factory rent, rates and taxes	Rs. 15,000
Depreciation of plant and machinery	Rs. 3,500
Expenses on purchase	Rs. 1,500
Carriage outward	Rs. 1,000
Advertising	Rs. 5,000
Office rent and taxes	Rs. 2,500
Travellers wage and commission	Rs. 6,500
Stock of finished goods on 1st September 2022	Rs. 54,000
Stock of finished goods on 30th September 2022	Rs. 31,000

Prepare the cost sheet giving the maximum possible break up of cost and profit

- Q4 (a) A company uses 2,500 units of material per month. The cost of placing the order is Rs. 150. The cost per unit is Rs. 20. The reorder period is 4 to 8 weeks. The minimum consumption of raw material is 100 units whereas the average consumption is 275 units. The carrying cost of inventory is 20% per annum. You are required to calculate: (7.5)

- Re-order quantity
- Re-order level.

(b) Calculate EOQ and total cost of inventory from the following particulars: (7.5)

Annual Usage	20,000 units
Buying cost per order	Rs. 10
Cost per unit	Rs. 100
Cost of Carrying inventory	10% of cost

Q5 The standard output of a product has been fixed at 60 units per day of 8 hours. The normal wages per day is Rs. 150. Determine the total wages payable under:- (15)

- (i) Time Rate System
- (ii) Rowan plan
- (iii) Halsey plan.

When output is 50, 80, 120 and 150 units. Calculate the labour cost per unit in each case.

Q6 The following are some of the ways in which costs may be classified:- (15)

- (a) Direct and indirect cost
- (b) Variable and Fixed Cost
- (c) Controllable and Uncontrollable cost

Q7 What do you understand by 'cost plus contracts' and 'escalation clause' in contract costing? (15)

Q8 Describe the general feature of process costing. In what type of industries is process costing generally adopted? Discuss with figures the method of treatment of process loss in process costing system? (15)

\*\*\*\*\*

# END TERM EXAMINATION

SECOND SEMESTER [BBA] JUNE 2024

Paper Code: BBA-102

Subject: Cost Accounting

BBA(B&J)-102

Time: 3 Hours

Maximum Marks: 60

Note: Attempt five questions in all including Q.No1 which is compulsory.

- Q1 Answer **any four** from the following:- (4x5=20)
- (a) Function of Cost Accounting
  - (b) What is reorder level?
  - (c) Idle time and its causes.
  - (d) Economic Order Quantity
  - (e) How Abnormal gain in cost accounts.
  - (f) Short note on Material losses
  - (g) Absorption and allocation of overheads

Q2 What do you understand by cost accounting? How does it differ in technique and procedure from financial accounting? Give an example also. (10)

Q3 With respect to a factory, following particulars have been extracted for the year 2020: (10)

Cost of materials	Rs. 6,00,000
Wages	Rs. 5,00,000
Factory overheads	Rs. 3,00,000
Administration charges	Rs. 3,36,000
Selling charges	Rs. 2,24,000
Distribution charges	Rs. 1,40,000
Profit	Rs. 4,20,000

A work order has to be executed in 2021 and estimated expenses are:

Material Rs. 8,000, Wages Rs. 5,000

Assuming that in 2021 the rate of factory overheads has gone up by 20%. Distribution charges have gone down by 10% and selling and administration charges have each gone up by 15%. At which price should the product be sold so as to earn the same rate of profit as in 2020? Factory overheads are based on wages and administration, selling and distribution overheads on factory cost.

Q4 The history of receipt and issue of coal on different dates of a particular month are as follows: (10)

Jan 1 <sup>st</sup> opening balance	40 tons@ Rs. 45 per ton
Jan 2 <sup>nd</sup> Issued	16 tons
Jan 5 <sup>th</sup> Purchased	60 tons@ Rs. 46 per ton
Jan 7 <sup>th</sup> Issued	30 tons
Jan 10 <sup>th</sup> Purchased	50 tons@ Rs. 47 per ton
Jan 12 <sup>th</sup> Issued	48 tons
Jan 15 <sup>th</sup> Issued	40 tons

How the various issues are to be priced under:

- (a) First in First Out, (b) Last in Last Out, (c) Weighted Average

P.T.O.

- Q5 A worker produced 200 units in a week's time. The guaranteed weekly wage payment for 45 hours is Rs. 81. The expected time to produced one unit is 15 minutes which is raised further by 20 % under the incentive scheme. What will be the earnings per hour of that worker under Halsey (50% sharing) and Rowan bonus Schemes? **(10)**
- Q6 Distinguish between job costing and contract costing. State the special features of contract costing. **(10)**
- Q7 Zewaraat Ltd. has undertaken the construction of a bridge over the river Narmada for a Municipal Corporation. The value of the contract is Rs. 12,50,000, subject to a retention of 20% until one year after the certified completion of the contract, and the final approval of the corporation's engineer. The following details as shown in the books on 30<sup>th</sup> June, 2021:

Labour on site	Rs. 4,05,000
Materials direct to site less returns	Rs. 4,20,000
Materials from store	Rs. 81,200
Hire and use of plant-plant upkeep account	Rs. 12,100
Direct Expenses	Rs. 23,000
General overhead allocated to the contract	Rs. 37,100
Material in hand on June 30,2016	Rs. 6,300
Wages accrued on June 30,2016	Rs. 7,800
Direct expenses accrued on June 30,2016	Rs. 1,600
Work not yet certified at cost	Rs. 16,500
Amount certified by the Corporation Engineer	Rs.11,00,000
Cash received on account	Rs. 8,80,000

- Prepare (a) contract account, (b) contractee's account and (c) show how the relevant items would appear in the balance sheet. **(10)**
- Q8 Describe the general features of process costing. Give names of three industries where process costing can be applied. **(10)**

\*\*\*\*\*

<https://www.ggsipuonline.com>

Whatsapp @ 9300930012

Send your old paper & get 10/-

अपने पुराने पेपर्स भेजे और 10 रुपये पायें,

Paytm or Google Pay से

**END TERM EXAMINATION**

SECOND SEMESTER [BBA] APRIL - MAY 2019

Paper Code: BBA-102

Subject: Cost Accounting

(Batch 2017 Onwards)

Time: 3 Hours

Maximum Marks: 75

**Note: Attempt any five questions. All questions carry equal marks.**

Q1 ✓ "Costs may be classified in a variety of ways according to their nature and the information needs of the management." Explain and discuss this statement giving examples of classifications required for different purposes.

Q2 ✓ A company manufactures 5,000 units of a product per month. The cost of placing an order is Ra. 100. The purchase price of the raw material is Ra. 10 per kg. The re-order period is 4 to 8 weeks. The consumption of raw materials varies from 100 kg to 450 kg per week, the average consumption being 275 kg. The carrying cost of inventory is 20% per annum. You are required to calculate-

(a) Re-order Quantity  
 (b) Re-order Level  
 (c) Maximum Level  
 (d) Minimum Level  
 (e) Average Stock Level

Q3 ✓ Find out the remuneration of a worker on the basis of (a) Day Rate, (b) Piece Work Rate, (c) Halsey Scheme, (d) Rowan Scheme, from the following information:

(a) Name of Worker	Parwat Singh
(b) Ticket No.	40
(c) Work start time	1 April, 2010 at 8 a.m.
(d) Work finish time	5 April, 2010 at 12 Noon
(e) Work allotted	Production of 540 units
(f) Work done and approved	500 units
(g) Time and units allowed	10 units per hour
(h) Wage Rate	Ra. 3 per hour
(i) Bonus	40% of time saved
(j) Worker worked for 9 hours a day.	

Q4 Sachin Limited has three manufacturing departments 'A', 'B' and 'C' and one service department 'S'. The following particulars are available for one month of 25 working days of 8 hours each day. All departments work all days with full attendance.

Expenses	Total (Ra.)	Production			Service Dept.
		A (Ra.)	B (Ra.)	C (Ra.)	S (Ra.)
Power and Lighting	1,100	200	300	360	240
Supervisor's Salary	2,000	-	-	-	-
Rent	500	-	-	-	-
Welfare Expenses	600	-	-	-	-
Other Expenses	1,200	200	400	400	200
Supervisor's Salary		30%	30%	20%	20%
No. of Workers		3	4	2	1
Floor area sq. metre		60	80	60	50
Service rendered by		50%	30%	20%	
Service Dept. to					
Production Department					

Calculate the Labour Hour Rate for each of the departments A, B and C.

P.T.O.

Q5 The cost of making 40 pianos of which 20 are of Grade A and 20 are of Grade B is Rs. 80,000. Pianos of Grade B cost 55% and Pianos of Grade A cost 45% the total.

Ascertain the cost of each grade and add thereto 10 percent for indirect expenses. Transport and space in the showroom cost Rs. 60 per piano. Sell expenses and advertising are 10 percent of the selling price which is Rs. 3,100 in the case of Grade A and 3,885 in the case of Grade B.

Write up a Cost Sheet showing the percentage of profit on total cost and selling price respectively on each Grade.

Q6/ The product of a company passes through three distinct processes completion. They are known as A, B and C. From past experience it is ascertained that wastage is incurred in each process as under:

Process A 2%; Process B 5%; Process C 10%.

In each case, the percentage of wastage is computed on the number of units entering the process concerned.

The wastage of each process possesses a scrap value. The wastage of process A and B is sold at Rs. 5 per 100 units and that of process C at Rs. 20 per 100 units.

The output of each process passes immediately to the next process and the finished units are passed from Process C into stock.

The following information is obtained:

	Process A (Rs.)	Process B (Rs.)	Process C (Rs.)
Materials consumed	6,000	4,000	2,000
Direct Labour	8,000	6,000	3,000
Manufacturing expenses	1,000	1,000	1,500

20,000 units have been issued to Process A at a cost of Rs. 10,000. The output of each process has been as under:

Process A 19,500; Process B 18,800; Process C 16,000.

There is no work-in-progress in any process.

Prepare Process Account making the calculations to the nearest rupee.

Q7/ Write notes on:-

- (a) Job v/s Batch Costing
- (b) Escalation Clause
- (c) Contract Profit and Loss A/C

Q8/ Write notes on:-

- (a) Normal profits
- (b) Process Costing
- (c) Abnormal loss

\*\*\*\*\*

<https://www.ggsipuonline.com>

Whatsapp @ 9300930012

Send your old paper & get 10/-

अपने पुराने पेपर्स भेजे और 10 रुपये पायें,

Paytm or Google Pay से

<https://www.ggsipuonline.com>