

Dr. Babasaheb Ambedkar Open University
Term End Examination June-2014

Course : Diploma in Advance Cost Accounting (DACA) **Numerical Code: 0025**
Roll No : _____
Subject : Basic of Cost Accounting (DACA-01) **Numerical Code: 0163**
Date : 23/07/2014
Time : 11.00 to 02.00
N.B. : All questions carry equal Marks. **Total Marks : 70**

Q.1 Write short notes on any two (14)
1. Meaning and Objectives of cost Accounting
2. Cost Classification
3. The ABC Analysis
4. Economic Order quantity model

Q.2 Form the following information Calculate. (14)
(i) Re-order level (ii) Minimum level (iii) Maximum Level (iv) Average stock level
Normal usage 1200 units
Minimum usage 600 units
Maximum usage 1800 units
Re-order quantity 4500 units
Re-order period 2 to 3 months

OR

From the following information calculate.

1. Economic order Quantity
2. Total Annual Inventory cost
Monthly demand 400 units
Price per unit ₹ 4.80
Cost of placing order ₹ 8
Storage cost 3% per annum
Interest rate 10% per annum
Lead time : Half month

Q.3 What is Labour Turnover? Discuss cause of labour Turnover. (14)

OR

During a month pratap, a workman manufactured 900 units. He receives wage for a guaranteed 48 Hours week at the rate of ₹ 4 per hour. The estimated time to produce 1 unit is 10 minutes and under incentive scheme the time allowed is increased by 20% calculate his gross wage according to:

1. Piece work with a guaranteed weekly wage
2. Rowan premium bonus
3. Halsey premium bonus

Q.4 Discuss common basis for allocating fixed overheads. (14)

OR

A company has three production departments : A, B & C and one service department D overheads for a month are:

	₹		₹
Indirect wages	4,000	Depreciation	3,600
Rent	8,800	Supervision charges	6,000
Plant Repairs	4,800	Power	900

Following additional information is available:

Particulars	A	B	C	D
Area Occupied (Meters)	125	75	50	25
No. of Workers	48	32	24	16
Value of Plant (₹)	48,000	36,000	24,000	12,000
Direct wages (₹)	16,000	12,000	8,000	4,000
Actual Power (₹)	400	200	200	100

Service department D renders services to production departments A, B and C as to 50%, 30% and 20% respectively.

Q.5 Write short note(Any Two)

(14)

1. Underabsorption and overabsorption of factory overheads.
 2. Piece Rates schemes of wages
 3. Periodic Inventory and perpetual Inventory
 4. Direct cost and Indirect cost
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Course : Diploma in Advance Cost Accounting (DACA) **Numerical Code: 0025**
Roll No : _____
Subject : Various Forms of Costing (DACA-02) **Numerical Code: 0164**
Date : 23/07/2014
Time : 03.00 to 06.00 **Total Marks : 70**

Q.1 Write short note (any two) (14)

1. Jobcosting
2. Contract costing
3. Process costing
4. Single costing

Q.2 In Ajay Ltd. A product passes through two processes A and B. During the months ended June 30. 1500 units were produced. The detailed cost break up is as follows. **(14)**

	Process A	Process B
Direct Material	1,80,000	1,50,000
Direct Labour	1,50,000	3,00,000
Direct Expenss	30,000	36,000

Indirect overhead costs during the period were ₹ 1,20,000 apportioned to the processes on the basis of direct labour cost. No work in progress existed at the beginning and end of the period prepare relevant process account.

OR

From the following data calculate the cost per km or a Vehical for pavan transport Ltd.

Value of Vehical	15,000
Road license for the year	500
Insurance per year	700
Driver's wages per month	200
Cost of petrol per liter	0.80
Tyre and naintaince charge per km	0.20
Estimated life (kms)	1,50,000
Estimated annual Mileages (kms)	6,000
Petrol consumption (kms/litre)	8

Q.3 Dhaval Ltd. is engaged in the process of engineering Industry. During April 2012 some 2000 units were Introduced in process B. The normal loss was estimated at 5%. At the end of the month 1400 units were produced and transported to process C 460 units were incompleted 140 units were scrapped. The stages of incomple units were respectively meterial 75% labour 50% overhead 50% further information on process B. **(14)**

Cost of 2000 units	58,000
Additional Direct Material	14,400
Direct Labour	33,400
Overhead	16,700

Scrap units realized at ₹ 10 each prepare a statement of equivalent production and statement cost.

OR

From the above Information prepare.

1. A statement of apportionment of cost and
2. "Process B" Account

- Q.4** Axzy Ltd. producing A also produces a by product B which is further processed into a finished product the joint cost of Manufacture is given below. Material ₹ 5000 labour ₹ 3000 and overhead ₹ 2000 subsequent costs are as under. **(14)**

	A (₹)	B (₹)
Material	6,000	3,000
Labour	2,800	2,000
Overhead	1,200	1,000
Total	10,000	6,000

Selling prices are A ₹ 16,000 and B ₹ 8,000 estimated profit on selling prices are 25% for A and 20% for B.

Assume that selling and distribution expenses are in proportion on sales price.

Show how you would apportion joint costs of Manufacture and prepare a statement showing cost of production of A and B.

OR

Anmol Ltd. provided information from prepare necessary process accounts.

	Process A	Process B
Materials	30,000	3,000
Labour	10,000	12,000
Overheads	7,000	17,000
Input (Units)	20,000	17,500
Normal loss (Precent)	11	4
Sales value of wastes per unit	1	2

There was no opening stock or closing or work in process. Final output from process B was 17000 units.

- Q.5 Write short note(Any Two)**

(14)

1. Contract costing
 2. Job cost sheet
 3. Format of production account
 4. Format of a cost sheet
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Course : Diploma in Advanced Cost Accounting (DACA) **Numerical Code: 0025**
Roll No : _____
Subject : Managerial Cost Accounting (DACA-03) **Numerical Code: 0165**
Date : 24/07/2014
Time : 11.00 to 2.00
N.B. : All Questions carry equal Marks **Total Marks : 70**

Q.1 Explain the meaning, purpose and advantages of inter firm comparison. (14)

OR

Explain the advantages and disadvantages of uniform costing.

Q.2 A company adopt Integrated accounting system. Journalize the following transactions of March 2013. (14)

	₹
1 Direct wages paid	1,20,000
2 Indirect wages paid	30,000
3 Indirect wages control	20,000
4 Factory overhead	4,000
5 Wages charged to production	28,000

OR

From the following information find out

1. Profit volume Ratio
2. Break-even Point
3. Margin of safety

	₹
Sales (1,00,000 units)	1,00,000
Variable costs	40,000
Fixed costs	50,000

Q.3 Explain algebraic method of break-even analysis. (14)

OR

Explain sell or further process decision in decision making.

Q.4 Explain the expense or cost center of responsibility. (14)

OR

Explain the profit center of responsibility.

Q.5 Answer the following (Any Two) (14)

1. Cash budgets
 2. Flexible budgets
 3. Break-even Analysis
 4. Differential cost and Opportunity cost
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Course : Diploma in Advanced Cost Accounting (DACA) **Numerical Code: 0025**
Roll No : _____
Subject : Variance Analysis (DACA-04) **Numerical Code: 0166**
Date : 24/07/2014
Time : 3.00 to 6.00
N.B. : All Questions carry equal Marks **Total Marks : 70**

Q.1 Answer the following (Any Two) (14)

1. Establishing cost standards
2. Components of standars cost
3. Responsibility for Material price variance
4. Idle time variance

Q.2 Explain the procedure to reconcile budgeted profits with actual profits. (14)

OR

State the procedure for disposal of variances.

Q.3 From the data given below, calculate Material cost various, Material price variance and Material usage variance. (14)

Material	Standard		Actual	
	Quantity kg	Unit price ₹	Quantity kg	Unit price ₹
A	400	12	420	10
B	<u>550</u>	15	<u>600</u>	16
	950		1020	

OR

Write a note on various reporting.

Q.4 Write a short note on sales variances. (14)

OR

Budgetes fixed overhead for the year is ₹ 1,24,800 while the working days fixed are 312. The production estimated for the whole year is 62,400 units. The actual working days are 24 in February.

Calculate calendar variance.

Q.5 Write a short note on labour variance. (14)

OR

The budgeted production is 4000 units in X Ltd. in March 2013 and the budgeted variable overhead is ₹ 10,000. Actual production was 2200 units. While actual variable overhead amounted to ₹ 10,800.

Calculate variable overhead variance.
