Dr. Babasaheb Ambedkar Open University
Term End Examination July-2015

Course	: Diploma in Advance Cost Accounting **(DACA)**	**Numerical Code: 0025**
		Roll No.:___________
Subject	: Basic of Cost Accounting **(DACA-01)**	**Numerical Code: 0163**
Date	: **21/07/2015**	**Time : 11.00 to 02.00**
N.B.	: All questions carry equal Marks.	**Total Marks : 70**

Q.1 Write a short note on Classification of different Cost. **(14)**

OR

Explain EOQ Model.

Q.2 Following information relating to a type of raw material is available in respect of Raj Ltd. **(14)**
The relevant monthly data, for the components are as given below:

Annual Demand:	12,400 Units
Unit Price:	Rs. 2.40
Ordering cost per order:	Rs. 4.00
Storage cost:	2% per annum
Interest Rate:	10% per annum
Lead Time:	Half-Month

Calculate EOQ, & Total Annual inventory cost in respect of the particular raw material.

OR

Following information relating is available in respect of Consuption of raw material Megh Ltd.

Average Consumtion	200 Units/Day
Minimum Consumtion	120 Units/Day
Maximum Consumtion	260 Units/Day
Ordering Quantity	10,000 Units
Re order Period	25 to 30 days

(Time required to obtain fresh supplies)

Determine the recording level, maximum level, minimum level and safety level

Q.3 Explain Halsey Premium Plan and Rowan Plan. **(14)**

OR

Calculate the Wages for shri Ram Ltd. due under the Rowan plan with the following details:

Standard Time:	9 hours
Time Taken:	6 hours
Normal Rate:	0.75 rupees per hour

Overheads recovered 150% of the direct wages.

Q.4 Write a note on basis of allocations for overheads? **(14)**

OR

Compute the machine hour rate from the following data for Neha Ltd.

	Rs.
Cost of Machine	1,00,000
Installation charges	10,000
Estimated scrap value after the expiry of itslife (15 years)	5,000
Rent & rates for the shop per month	200
General lighting for the shop pert month	300
Insurance premium for the machine per anuum	960
Repairs & maintanace expenses per annum	1,000
Power consumption -10 units per hour	--
Rate of power per 100 units	20
Estimated working per hours per annum	2,200
This includes setting-up time of 200 hours	--
Shop Supervisor's salary per month	600

The machine occupies ¼ of the total area of the shop. The supervisors is expected to devote 1/5 of his time for supervising the machine.

Q.5 Write short notes (any two): (14)

1. Trial and error approach
2. ABC Analysis
3. Types of cost
4. Absorption of Factory overheads

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Course	: Diploma in Advance Cost Accounting **(DACA)**	**Numerical Code: 0025**
Subject	: Various Forms of Costing **(DACA-02)**	**Roll No.:____________**
Date	: **21/07/2015**	**Numerical Code: 0164**
Time	: **03.00 to 06.00**	**Total Marks : 70**

Q.1 Write note on Job Costing **(14)**

OR

Aditya transportservice company is running four buses between two towns, 50 Kms apart. Seating capacity of each bus is 40 passangers. The following particulars were obtained from their books:

Wages of drivers, conductors & cleaners	Rs. 2,400
Salary of office & supervisory staff	Rs. 1,000
Diesel & other Oil	Rs. 4,000
Repairs & maintanance	Rs. 800
Taxation, Insurance etc.	Rs. 1,600
Depreciation	Rs. 2,600
Interest & other charges	Rs. 2,000
Total	**Rs.14,400**

Actual passangers carried were 75 percent of the full capacity. All the four buses run on all days of the month. Find out the cost per passanger Km.

Q.2 Write about FIFO Method. **(14)**

OR

Rajesh Ltd. under takes a long term contract, which involves the fabrication of prestvessed concrete blocks & the erection of the same on consumer's site.
The following information is supplied regarding the contract, which is incomplete on march,31 of the current year.

Fabrication costs to date:	Rs.
Direct materials	2,80,000
Direct labour	90,000
Overheads	75,000
	4,45,000
Erection costs to date	15,000
Total coat incurred	4,60,000
Contract price	8,19,000
Cash received on account	6,00,000
Technical estimate of work completed to date	
Fabrication	Rs.
Direct price	80 percent
Direct labour & overhead	75 percent
Erection	25 percent

You are required to prepare a statement for submission to the management indicating
The estimated profit on the completion of the contract.

Q.3 Explain Process costing **(14)**

<u>OR</u>

Explain contract costing

Q.4 Write a note on operating costing. **(14)**

<u>OR</u>

Suraj transport company operates the following fleet: 20 rucks of 10 tonne capacity, 10 trucks Of 5 tonne capacity, 5 mini trucks of 2 tonne capacity each.

The first two types of trucks are used for long distances and the minitruck is utilized for local transport only. In a week, the following distances were covered by each of the trucks: 10 tonne capacity truck, 600 Kms; 5 tonne capacity truck, 500 Kms; 2 tonne capacity truck, 300 Kms.

If the total cost is Rs. 3,70,000, determine the cost per tonne-Km, assuming that all vehicles worked to their full capacity during the period.

Q.5 Explain Batch costing in detail. **(14)**

<u>OR</u>

In manish Ltd. 600 Kgs of material was charged to process-I at the rate of Rs. 4 per kg. The direct labour accounted for Rs. 200 and the other departmental expenses amounted Rs. 760. The normal loss is 10% of input. During the period, the actual production was 500 Kgs and 100 Kgs was scrap. Assuming that the scrap is saleable at Rs. 2 per Kg. prepare ledger account of process-I, showing the values of normal and abnormal losses.

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Course	**:** Diploma in Advanced Cost Accounting **(DACA)**	**Numerical Code: 0025**
Subject	**:** Managerial Cost Accounting **(DACA-03)**	**Numerical Code: 0165**
Date	**: 22/07/2015**	**Roll No:___________**
N.B.	**:** All Questions carry equal Marks	**Total Marks : 70**

Q.1 Explain the meaning of uniform costing and the advantages and disadvantages of uniform costing. **(14)**

OR

A company adopts Integrated Accounting system. Journalize the following transactions of March 2001.

	Rs.
Direct wages paid	60,000
Indirect wages paid	15,000
Indirect wages control	10,000
Factory overhead	2,000
Wages charged to production	1,14,000

Q.2 The following data are obtained from the records of Kartik Ltd. **(14)**

	First Year	Second Year
Sales	Rs. 80,000	Rs. 90,000
Profit	10,000	14,000

Calculate are BEP (in Rs.)

OR

Describe C.V.P. (Cost volume profit) analysis.

Q.3 Explain tyoes Responsibility Centres. **(14)**

OR

With a view to increase the volume of sales, marketing manager has in mind a proposal to reduce to z price of its product by 20%. No change in total fixed costs or variable costs per unit is estimated. The directors, however, desire the present level of profit to be maintained. The following information has been provided.

Sales 50,000 units, Rs. 5,00,000
Variable costs Rs. 5 per unit
Fixed costs Rs. 50,000
Advice management on the basis of the various calculations made from the data given.

Q.4 What are the advantages and limitation of profit center. **(14)**

OR

Define the meaning of budgeting and its essential elements.

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

1. Need for inter firm comparision.
2. Operating budget.
3. Explain Differential cost & sunk cost
4. Break-even Analysis.

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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	**: 22/07/2015**	**Time : 3.00 to 6.00**
N.B.	**:** All Questions carry equal Marks	**Total Marks : 70**

Q.1 Explain the factors to be kept in mind while setting standards. **(14)**

OR

Explain the procedure to reconcile budgeted profits with actual profits..

Q.2 Write a Short note on material variances. **(14)**

OR

Adinath Ld. Has adopted standard costing furnishes the following information:

Standard:

Materials for 70 Kg. finished products - 100 Kg.

Price of Materials Re. 1 per Kg.

Actual:

Output	2,10,000 Kg.
Materials used	2,80,000 Kg.
Cost of Materials	Rs. 2,52,000

Calculate:

a) Material Usage variance
b) Material Price Variance
c) Material Cost variance

Q.3 Write a short note on Labour variances. **(14)**

OR

The standard mix of labour for a job is as under (This job get; finished within 50 hours)
5 male worker at Rs. 2.50 per hour
6 female workers paid at Rs. 2.00 per hour
2 child workers paid at Rs. 1.50 per hour
But actually, 7 male workers, 5 female workers and 1 child are employed for this job compute labour mix variance.

Q.4 Write short note on Overhead variances. **(14)**

OR

The budgeted production is 2,000 units in Vinee Ltd. in march, 2001 and the budgeted variable overhead is Rs. 5,000. Actual production was 1,100 units; while actual variable overhead amounted to Rs. 5,400.

Calculate Variable overhead variance.

Q.5 Write a short note on Sales variances. **(14)**

OR

The budgeted and actual sales of a concern manufacturing and marketing a single product are furnished below.

Budgeted sales: 10,000 units at Rs. 4 per units.
Actual Sales : 5,000 units at Rs. 35 per units.
8,000 units at Rs. 4 per unit.

Calculate a) sales price variance and
b) slaes volume variance
