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**B.B.A. (Second Semester)  
EXAMINATION, MAY-JUNE, 2022  
COST ACCOUNTING  
(109)**

*Time : Three Hours]*

*[Maximum Marks:90*

*[Minimum Pass Marks: 32]*

**Note : Attempt all the five questions. One question from each unit is compulsory. All questions carry equal marks.**

**UNIT-I**

1. What do you mean by Cost Account? Explain its objectives.

**OR**

Explain the advantages and disadvantages of Historical Cost Accounting.

**UNIT-II**

2. What do you mean by element of cost? Explain briefly.

**P.T.O.**

[2]

**OR**

The annual demand of an item is 12800 units. The unit cost is Rs. 8 and inventory carrying cost is 25% per annum. If the cost of an order is Rs. 100 determine

- (i) EOQ
- (ii) Number of orders per day
- (iii) Time between two consecutive orders

**UNIT-III**

3. What are the methods of material control?

**OR**

Write Notes:

- i) Ideal Time
- ii) Accounting standard on 'Overheads'.

**UNIT-IV**

4. Prepare cost sheet from the following informations:-  
(1000 units) Mann Ltd.

Materials	20,000
Labour	10,000
Factory fuel	5,000
Factory lighting	7,000
Office drawing	10,000
Office salary	10,000

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[3]

Selling and Distribution 10% of work cost  
Profit 10% on sales

**OR**

Compute Machine Hour Rate for Machine No. 58 from the following data:

- |                                                                  |             |
|------------------------------------------------------------------|-------------|
| 1. Cost of Machine                                               | Rs. 11,000  |
| 2. Scrap value                                                   | Rs. 1,000   |
| 3. Effective Life                                                | 10000 Hours |
| 4. Repairs and Maintenance for whole life                        | Rs. 2,500   |
| 5. Standing charges for the shop for the month of 25 working day | Rs. 400     |
| 6. No. of the Machine in shop                                    | 10          |
| 7. Working hours per day                                         | 8 hrs.      |
| 8. Power used per machine per month                              | 150         |
| 9. Machine insurance 5% of depreciation                          |             |

**OR**

Rishi Chemical Ltd. is engaged in the production of an article 'A' and in the course of its manufacturing a by product 'B' is produced, which is of equal importance on weight and value as a main product 'A' is. For the month of December 2017 the following are the joint expences of 'A' & 'B'.

	Rs.
Direct Material	30,000
Direct Labour	89,000

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**P.T.O.**

[4]

Overhead 6,000

The proportionate expenses incurred in connection with the by product 'B' are 50% of the prime cost of both products.

Assuming that the by product 'B' is sold at a profit of 20% on cost, find out cost of 'A' and the profit realised on 'B'.

**UNIT-V**

5. What do you mean by standard coming? What are the advantages of standard costing?

**OR**

What is Master Budget? Why it is important for organised sector?

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