



SN – 345

V Semester B.Com. Examination, November/December 2013
(Semester Scheme) (Prior to 2013-14)
COMMERCE

Paper – 5.1 : Methods and Techniques of Cost Accounting

Time : 3 Hours

Max. Marks : 90

Instruction: Answers should be written completely either in **English** or in **Kannada**.

SECTION – A

Answer **any ten** sub-questions of the following. **Each** sub-question carries **2** marks. **(10x2=20)**

1. a) Define 'Marginal Costing'.
- b) State any two features of process costing.
- c) What is 'Angle of Incidence' ?
- d) State any two objectives of Budgetary Control.
- e) What is operating costing ?
- f) State any two objects of P/V ratio.
- g) What is 'Escalation clause' ?
- h) What is 'Work Uncertified' ?
- i) State any two benefit of standard costing.
- j) Distinguish between Normal loss and Abnormal loss.
- k) What do you mean by Flexible Budget ?
- l) Define Standard costing.

P.T.O.



SECTION - B

Answer any 5 questions. Each question carries 5 marks.

(5×5=25)

2. Fixed cost ₹ 4,00,000.

Selling price per unit ₹ 10. Variable cost per unit ₹ 5. Find out BEP in units and sales value. What would be the new selling price, if BEP brought upto 9000 units ?

3. From the following information calculate the cost of a Job :

Material ₹ 7,500

Wages : Dept. A 60 hr. at ₹ 30 per hour

Dept. B 40 hr at ₹ 20 per hour

Dept. C 20 hr at ₹ 25 per hour

Variable overheads - ₹ 15 per hour

Fixed overheads - ₹ 20 per hour.

4. In Process A 2000 units of Raw materials were introduced at a cost of ₹ 2,00,000. The other expenditure incurred in the process was ₹ 1,20,000. Of the units introduced 5% were lost in weight and the normal loss was 5% which were sold at ₹ 7.50 per unit. The output of process A was only 1825 units.

Calculate the Abnormal Gain by preparing Process A A/c.

5. VRL company owns a bus which runs between Bangalore to Mangalore for 10 days in a month covering a distance of 300 KMs in a round trip. The bus goes another 10 days in a month towards Tirupati covering a distance of 240 KMs in a round trip. For the rest of 4 days in a month it runs in the local city, covering a distance of 40 KMs daily.

Calculate the total passenger KMs.

6. The standard material required to manufacture one unit of product 'X' is 10 kgs and the standard price per kgs of material is 25 kgs. The cost account records, however reveals that 11500 kgs materials costing ₹ 2,76,000 were used for manufacture of 1000 units of product 'X'. Calculate material variances.

7. State any five differences between Job Costing and Contract Costing.

8. State the advantages of Break Even Analysis.

9. What are the advantages of standard costing ?



SECTION – C

Answer any 3 questions. Each question carries 15 marks. (3×15=45)

10. A transport company is running 4 buses between two towns which are 50 kms apart. Seating capacity of each bus is 40 passenger. The following particulars were obtained from their books for April month (30 days).

	₹
Wages of driver	15,000 p.m.
Wages of conductor	12,000 p.m.
Diesel 6 km per litre at	42 per litre.
Cost of the Bus	50,00,000
The scrap value after its life of 10 years	2,50,000
Repair at 20% of depreciation	
Road tax	45,000 p.a.
Interest and other charges	24,000 p.a.

Actual passenger carried were 75% of seating capacity. All the buses run on all the days of the month. Each bus made one round trip per day.

Find out the Cost per Passenger KM.

11. Shiva Construction Company undertook a contract for a total price of ₹ 60,00,000. Following is the abstract for the year ending 31st March 2013.

	₹
Material sent to site	10,00,000
Material purchased	7,00,000
Labour	12,87,500
Outstanding wages on 31-3-2013	15,000
Plant installed	14,00,000
Direct expenses	60,000
Outstanding direct expenses	12,000
Material returned	30,000
Plant returned	2,00,000
Work certified	32,00,000
Work uncertified	1,90,000
Material at site on 31-3-2013	30,000

Cash received 80% of work certified.

Depreciation on plant at 10% p.a.

Prepare Contract Account and show how the above items appear in Balance Sheet.



12. The Liberty Shoe Company sells different styles of ladies chappals with identical purchase cost and selling price. The company wants to open another shop which would have the following expenses and revenue relationship

- Selling price per pair	₹ 300
- Variable cost per pair	₹ 195
- Salesmens commission (variable)	₹ 15 per pair
- Fixed expenses includes - Rent	₹ 60,000
Salary	₹ 2,81,000
Advertisement exp.	₹ 79,000
Sundries	₹ 30,000

You are required to calculate :

- Annual BEP in units and sales value
 - Profit or loss of the stores if 35,000 pair are sold.
13. Prepare a flexible budget from the following information for 12000 and 15000 units. For production of 10000 units, the expenses incurred are as follows :

Particulars	Per Unit
	₹
Direct material	60
Direct Labour	30
Variable overheads	25
Fixed overhead (₹ 1,50,000)	15
Variable expenses (Direct)	5
Selling expenses (10% fixed)	15
Administration expenses (₹ 50,000 fixed for all levels of production)	5
Distribution expenses (20% fixed)	5
Total cost	160



14. Prepare the Process Accounts, Abnormal Loss A/c and Abnormal Gain Account from the details given below.

Particulars	Process A	Process B
	₹	₹
Materials	30,000	40,000
Labour	10,000	12,000
Overheads	7,000	8,000
Input (units)	20,000 units	17,500 units
Output units	17,500 units	17,000 units
Normal loss	10%	4%
Sale of scrap	₹ 1 per unit	₹ 2 per unit

ಕನ್ನಡ ಆವೃತ್ತಿ

ವಿಭಾಗ - ಎ

ಯಾವುದಾದರೂ ಹತ್ತು ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿರಿ. ಪ್ರತಿ ಪ್ರಶ್ನೆಗೆ ಎರಡು ಅಂಕಗಳು. (10×2=20)

1. a) ಸೀಮಾಂತ ವೆಚ್ಚದ ವ್ಯಾಖ್ಯೆ ಕೊಡಿ.
- b) ಪ್ರಕ್ರಿಯೆ ವೆಚ್ಚದ ಯಾವುದಾದರೂ ಎರಡು ಲಕ್ಷಣಗಳನ್ನು ಹೆಸರಿಸಿರಿ.
- c) ಆಂಗಲ್ ಆಫ್ ಇನ್ಸಿಡೆನ್ಸ್ (Angle of Incidence) ಎಂದರೇನು ?
- d) ಆಯವ್ಯಯ ನಿಯಂತ್ರಣದ ಎರಡು ಉದ್ದೇಶಗಳನ್ನು ತಿಳಿಸಿ.
- e) ಸೇವಾವೆಚ್ಚ ನಿರ್ಣಯ ಎಂದರೇನು ?
- f) ಪರಿಮಾಣದ (P/V ratio) ಎರಡು ಉದ್ದೇಶಗಳನ್ನು ತಿಳಿಸಿ.
- g) 'ಎಸ್ಕಲೇಶನ್ ಕ್ಲಾಸ್' ಎಂದರೇನು ?
- h) 'ದೃಢೀಕರಿಸಿದ ಕೆಲಸ' ಎಂದರೇನು ?
- i) ಶಿಷ್ಟವೆಚ್ಚ ನಿರ್ಣಯದ ಎರಡು ಅನುಕೂಲಗಳನ್ನು ತಿಳಿಸಿರಿ.
- j) ಸಾಮಾನ್ಯ ನಷ್ಟ ಮತ್ತು ಅಸಾಮಾನ್ಯ ನಷ್ಟಗಳಿಗಿರುವ ವ್ಯತ್ಯಾಸವನ್ನು ತಿಳಿಸಿರಿ.
- k) ಚಲನ ಆಯವ್ಯಯ ಎಂದರೇನು ?
- l) ಶಿಷ್ಟವೆಚ್ಚ ನಿರ್ಣಯ ಎಂದರೇನು ?