

(i) Printed Pages : 6

Roll No.

(ii) Questions : 14 Sub. Code :

1	7	9	0	0
---	---	---	---	---

Exam. Code :

0	0	2	6
---	---	---	---

**Bachelor of Business Administration 6th Semester
(2056)**

COST ACCOUNTING AND ANALYSIS

Paper : BBA 327

Time Allowed : Three Hours]

[Maximum Marks : 80

Note :— Attempt any **four** questions from Section-A. Each question carries **five** marks. Attempt any **two** questions from Section-B. Each question carries **fifteen** marks. Attempt any **two** questions from Section-C. Each question carries **fifteen** marks.

SECTION-A

1. The following transactions took place in respect of a material item:

Date	Receipts (Quantity)	Rate (Rs.)	Issue (Quantity)
2.3.2022	200	2	---
10.3.2022	300	2.40	---
15.3.2022	---	---	350
18.3.2022	250	2.5	---
20.3.2022	---	---	300

Prepare Stores Ledger following the FIFO and LIFO Method.

17900/PG-16673

1

[Turn over



2. In manufacturing a commodity, two components X and Y are used as follows:

Normal Usage = 100 units per week each

Minimum Usage = 50 units per week each

Maximum Usage = 150 units per week each

Reordering Quantity : X = 600 units

Y = 1000 units

Delivery Period: X = 4 to 6 weeks

Y = 2 to 4 weeks

Calculate for each material:

- (i) Minimum Level
 - (ii) Maximum Level
 - (iii) Reordering Level.
3. The extract from the payroll of M/s Gupta Bros. is as follows:

Number of employees at the beginning of 2025:	150
Number of employees at the end of 2025:	200
Number of employees discharged during the year:	5
Number of employees resigned during the year:	20
Number of employees replaced due to resignations and discharges:	20

Calculate the net annual labour turnover rate of the company under:

- (i) Separation Method and
- (ii) Replacement method.

4. Jhamb Ltd. has furnished the following data:

	Budgeted	Actual
No. of working days	25	27
Production (in Units)	20000	22000
Fixed overheads (in Rs.)	30000	31000

Budgeted fixed overhead rate is Rs. 1.00 per hour. In January 2026, the actual hours worked were 31500. Calculate the following variances:

- (i) Efficiency variance
 - (ii) Capacity variance
 - (iii) Calendar variance.
5. Define Machine Hour Rate. What are its advantages?
6. Differentiate between standard costing and variance analysis.

SECTION-B

7. A manufacturing company annually uses 25000 units of raw material. The cost of the raw material is Rs. 1.25 per unit. If the ordering cost of the materials is Rs. 21.6 per order and the carrying cost is 5.4% per year of the average inventory.

- (a) Find the inventory cost and economic lot size.
- (b) Should the manager be concerned if he is offered a discount of 6% on the cost on a single order of 25000 units by supplier?
- (c) Suppose the company works for 325 days a year. If the lead time is 12 days and safety stock is 400 units, find the order point.
8. Define material control. What are the various techniques of material control? Explain.
9. Discuss various methods of wage payment and incentive schemes.
10. From the following particulars, prepare cost sheet for the year ended 31-3-2024:

	1-4-2023	31-3-2024
Stock of finished goods	6000	15000
Stock of raw material	40000	50000
Work in progress	15000	10000

Transactions during the year:

Particulars	Amount	Particulars	Amount
Purchase of raw material	475000	Carriage inward	12500
Wages	175000	Income tax	500
Dividend	5000	Debenture interest	5000
Factory employees salaries	60000	Transfer to debenture redemption fund	100000

Payment of sales tax	16000	Selling expenses	9250
Power expenses	9500	Factory rent and taxes	7250
Works manager salary	30000	Other production expenses	43000
General expenses	32500	Goodwill written off	100000
Sales	860000	Bad debts	1500
Interest on capital	10000	Dividends Received	1000

SECTION-C

11. From the following information, work out the production overheads in Departments P1, P2, and P3.

Departments

Primary Distribution	P1	P2	P3	S1	S2
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
	1380	2190	1290	630	510

The expenses of Service Departments S1 and S2 are as follows:

	P1	P2	P3	S1	S2
S1	30%	40%	20%	----	10%
S2	10%	20%	50%	20%	----

Prepare a statement showing the distribution of two service Departments to the three production Departments by:

- Simultaneous Equations Method
- Repeated Distribution Method.

12. Differentiate between apportionment, allocation, and absorption. Also discuss the various methods for absorption of overheads.
13. A company manufactures a single product. The standard mix is as under:
- Material A - 60% at Rs. 20 per kg.
- Material B - 40% at Rs. 10 per kg.
- Normal loss in production is 20% of input.
- Due to shortage of material A, the standard mix was changed. The actual results of February 2026 were:
- Material A - 105 kg at Rs. 20 per kg.
- Material B - 95 kg at Rs. 9 per kg.
- Actual Output - 165 kg.
- Calculate the various material variances.
14. What do you mean by 'Analysis of Variances'? Explain briefly the various types of variances.