Enro	ollment No:			Exam Seat No:		
		C.U.	SHAH I	UNIVERSITY	7	
		Sun	nmer Exa	amination-2019		
Subj	ect Name: C	Cost and Mai	nagement Acco	unting		
Subj	ect Code: 5N	MS02CMA1		Branch: MBA		
Sem	ester: 2	Date:	20/04/2019	Time: 02:30 To 05:30	Marks: 70	
(2) Instructio	ons written or	n main answer b	any other electronic instrumer ook are strictly to be obeyed.	nt is prohibited.	
	3) Draw nea 4) Assume s	•	_	cessary) at right places.		
Q-1	Attemp	t the Followi	SEC'	ΓΙΟN – I		(07)
		l consumptiond out EOQ	on is 3000 units,	ordering cost is Rs.50 and ca	rrying cost is	1
		prepares 50	piece in a day a	nd wages per piece is Rs. 4 fi	nd out his wage	1
			les of indirect la	bour		1
			ss with example			1
		_	cost accountanc orking under pr			1 1
		by product	orking under pr	ocess cosung		1
O-2	Attemp	t all question	18			(14)

	for the day	
c.	Give any two examples of indirect labour	1
d	Explain abnormal loss with example	1
e.	State the meaning of cost accountancy	1
f.	Name one industry working under process costing	1
g	Explain by product	1
	Attempt all questions	(14
a	State the difference between cost & management accounting	7
b	Discuss various methods of costing	7
	OR	
	Attempt all questions	(14
a	Explain with formula minimum level, maximum level, reordering level and average level in material	7
b	From below information calculate labour turnover rate by all three methods.	7
	d. e. f. g. a b	 c. Give any two examples of indirect labour d. Explain abnormal loss with example e. State the meaning of cost accountancy f. Name one industry working under process costing g. Explain by product Attempt all questions a State the difference between cost & management accounting b Discuss various methods of costing OR Attempt all questions a Explain with formula minimum level, maximum level, reordering level and average level in material

Number of employees on Dt. 1/4/2018	2500
Number of employees resigned during	200
the year	
Number of employees retrenched	300
during the year	
Number of employees joined during	400



the year due to expansion	
Number of employees joined during	600
the year in place of those resigned and	
retrenched	
Number of employees on Dt.	(?)
31/3/2019	

Q-3 Attempt all questions

(14)

a Provide Specimen of Cost sheet with imaginary figures

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b Short note: Classification of cost

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OR

Q-3 a Explain job costing and state its essential characteristics

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b Prepare necessary process accounts and abnormal gain and loss accounts from below information

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Particulars	Process X	Process Y
Material brought	1,000 units @ Rs.40	-
	per unit	
Productive Wages	Rs.60,000	Rs.80,000
Works Overhead	Rs. 50,000	Rs. 70,000
Normal scrap	5% of units brought	40 units
Sale of normal scrap	Rs.20 per unit	Rs.60
Transfer to next	930 units	895 units
process/Finished		
goods		

SECTION – II

Q-4 Attempt the Following questions

(0**7**)

a. State the formula of PV Ratio
b. What do (F) & (A) suggest in variance?
c. State the meaning of budgeting
d. State any two overhead variance

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e. Name any two industries where operating costing method is usedf. Define BEP

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g. What is the meaning of zero base budgeting?

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Q-5 Attempt all questions

(14)

a Standard material requirement for manufacturing 100 kg. Chemical X is given below.

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- 45 kg of material A @ Rs. 2 per kg.
- 40 kg of material B @ Rs. 4 per kg.
- 35 kg of material C @ Rs. 6 per kg

The standard loss is 20 kg.

During the week 2000 kg. Of chemical X were produced and the actual usage of material were as follows.

Material A 1200 kg. @ Rs. 1.80 per kg.

Material B 880 kg. @ Rs. 4.30 per kg.

Material C 470 kg. @ Rs. 6.40 per kg.



Calculate all material variances

b From the below information find out BEP sales

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Year	Sales	Profit	
2018	4,00,000	40,000	
2019	6,00,000	80,000	

OR 7

- Q-5 a Short note: Factors influencing pricing decisions
 - **b** Explain various steps in decision making process

Q-6 Attempt all questions

(14) 7

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- Total fixed expense of the month & total variable expense of the month of one passenger travel company is respectivelyRs.3, 60,000 &Rs. 2, 90,000. Passenger travel company has one bus with 40 passenger capacity bus travelled 15000 kms During the month with 80% capacity. Calculate cost per passenger kms & cost per km of the bus.
- **b** State advantages and limitations of standard costing

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OR

Q-6 Attempt all Questions

a Prepare Cash budget for the period April to June 2018.

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- 1. Opening cash balance 300000.
- 2. Month wise Sales, Purchase, Wages & Other expenses are as under.

Month	Sales	Purchase	Wages	Other exp.
Feb.	220000	100000	13000	9000
March	290000	190000	16000	11000
April	430000	260000	19000	8000
May	300000	280000	17000	10000
June	250000	220000	18000	8000
July	210000	130000	23000	12000

3. Out of total sales 20% is cash sale. Out of credit sales 50% received in next month 45% in second next month & balance is not recoverable

b A company produces two products P and Q

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Particulars	P	Q
Direct material (@Rs. 6 per Kg.)	Rs. 36	Rs.24
Direct labour (@ Rs.8	Rs. 40	Rs.56



per hour)		
Variable overhead (% of labour cost)	150%	100%
Selling price per unit	180	200

Which product would you recommend if (1)Material (2)labour hours is a limiting factor

