

Dr. Babasaheb Ambedkar Open University
Term End Exam August – 2010

Course Code : DACA-02 Roll No. _____
Subject : Various forms of Costing Marks : 70
Date : 02-08-2010
Time : 03:00 to 06:00

Note : All questions carry equal marks.

Que 1: Write notes on the following. (Any Two)

- (a) Contract Costing
- (b) Process Costing
- (c) Batch Costing
- (d) Operation Costing

Que 2: From the following information of Rajat limited, prepare a statement of equivalent units.

Opening inventory : Partially completed units (40% Complete) 600
Units introduced during the period 10,000.
Closing inventory (Partially completed units : 70% complete) 2,000

Suraj transport company operates the Following Fleet : 20 trucks 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 mini-truck is utilized for local transport only. In a week, the following distances were covered by each of the trucks: 10 tonnes 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.

Que 3: Adit transport service company is running four buses between two towns, 50 kms apart. Seating capacity of each bus is 40 passengers. The following particulars were obtained from their books :

(P.T.O)

Wages of drivers, conductors and Cleaners	Rs. 2,400
Salaries of office and Supervisory Staff	Rs. 1,000
Diesel and Oil	Rs. 4,000
Repairs and maintenance	Rs. 800
Taxation, insurance, etc	Rs. 1,600
Depreciation	Rs. 2,600
Interest and other charges	<u>Rs. 2,000</u>
	Rs. 14,400

Actual passengers carried were 75% of the full capacity. All the four buses run on all days of the month. Find out the cost per passenger – km.

OR

Compute a conservative estimate of profit on contract of Keshma Ltd. (Which has been 80% complete) from the following particulars. Illustrate your methods of computing the profit.

Total expenditure to date	Rs. 1,70,000
Estimated further expenditure to complete the contract (including contingencies)	34,000
Contract price	3,06,000
Work Certified	2,00,000
Work not certified	17,000
Cash received	1.63,200

Que 4 : Calculate the estimated cost of production of by products X and Y at the point of separation from the main product, in Swaraj Ltd.

	By –Product X	By Product Y
Selling price per unit	Rs. 12	Rs. 24
Cost per unit after Separation from the main product	4	5
Units produced	500	200

(P.T.O)

Selling expenses amount to 25% of total works cost, that is including both pre-separation and post – separation work costs. Selling process are arrived at by adding 20% to the total costs.

OR

In Sajan Ltd. Product Z yields by-products , X and Y. The joint expenses of manufacturing are Rs. 65,000. From the following additional information, show how you would apportion the joint expenses incurred in manufacturing.

	X	Y	Z
1. Sales	Rs. 1,00,000	Rs. 40,000	Rs. 25,000
2. Manufacturing costs after separation	20,000	5,000	4,000
3. Estimated Selling expenses As percentage on Sales	20	23	20
4. Estimated profit as percentage On sales	25	25	30

Que 5: Write short note : (Any two)

- (1) FiFo method.
- (2) Spoilage.
- (3) Allocation of joint cost.
- (4) Inter – process profits.