t and Management Accounting			CA R. K. Mehta
Operating (Service) Costing			
Time Allowed : 35 Minutes TEST-1 Tot		Marks: 20 Marks	
Q.1: Differentiate between Operating Costing and Operation Costing (5 Ma			(5 Marks)
Q.2: The following information relates to a bus operator:			
Cost of the bus			₹18,00,000
Insurance charges			3% p.a.
Manger –cum accountant's sala	ry		₹8,000 p.m.
Annual Road Tax			₹ 50,000
Garage rent			₹ 2,500 p.m.
Repairs during the year			₹ 1,50,000
Expected life of the bus			15 years
Scrap value at the end of 15 years			₹ 1,20,000
Driver's salary		₹	<mark>t 15,000 p.m.</mark>
Conductor's salary		₹	<mark>t 12,000 p.m.</mark>
Stationery			₹ 500 p.m.
Engine oil (for 1200 kms.)			₹ 2,500
Diesel Cost (for 10 kms.)			₹ 52
Commission to driver and condu	uctor (shared equa	lly) 10 % (of collections
Route distance			20 km long
	Conductor's salary Conductor's salary Stationery Engine oil (for 1200 kms.) Diesel Cost (for 10 kms.) Commission to driver and condu Route distance	Operating (Service) Conservation (Service) Constant (Ser	Operating (Service) Costing TEST-1 Tota In Allowed : 35 Minutes TEST-1 Tota In Allowed : 35 Minutes TEST-1 Tota It is following information relates to a bus operation Costing Cost of the bus Insurance charges Manger –cum accountant's salary Annual Road Tax Garage rent Repairs during the year Expected life of the bus Scrap value at the end of 15 years Driver's salary It is a salary Onductor's salary It is a salary It is a salary Stationery Engine oil (for 1200 kms.) It is a salary It is a salary Diesel Cost (for 10 kms.) Commission to driver and conductor (shared equally) 10 % of the salary

The bus will make 3 round trips for carrying on the average 40 passengers in each trip. Assume 15% profit on collections. The bus will work on the average 25 days in a month. Calculate fare per passenger-km. Prepare Operating Cost Statement on annual basis.

(10 Marks)

Q.3 A bus started from Delhi for Mussoorie with 50 passengers on board, 20 passengers got off at Dehradun and the bus proceeded with the remaining passengers. In the evening the same bus left Mussoorie with 50 passengers. 10 passengers got off at Dehradun and the bus resumed its journey with remaining passengers for Delhi.

The distance between Delhi and Dehradun is 280 kms and between Dehradun and Mussoorie is 20 kms. Compute the cost per Passenger-km, if the total cost of running the bus for this trip is ₹5,000. (5 Marks)