

Time: 2½ hrs.

Marks:75

- Note:
1. All questions are compulsory with internal options.
 2. The figures to the right indicate full marks.
 3. Draw a neat diagram wherever necessary.

Q. 1 (A) Fill in the blanks with the correct answer from the alternatives given below. (08)

(Attempt any 8)

- (1) EOQ stands for _____.
 (a) Economic Order Quantity (b) Essential Order Quantity
 (c) Essential Output Quantity (d) Economic Output Quantity
- (2) Material control involves control over _____.
 (a) Consumption of material (b) Issue of material
 (c) Purchase of material (d) Purchase, storage and issue of material
- (3) An example of variable cost is _____.
 (a) Property taxes (b) Interest on capital
 (c) Direct material cost (d) Depreciation of machinery
- (4) Process of ascertainment of cost is known as _____.
 (a) Costing (b) Cost reporting
 (c) Cost control (d) None of the above
- (5) Cost accounting is directed towards the need of _____.
 (a) Government (b) External users
 (c) Internal users (d) Shareholders
- (6) The allotment of whole items of cost to cost centres or cost units is called _____.
 (a) Cost allocation (b) Cost apportionment
 (c) Overhead absorption (d) None of the above
- (7) Merricks multiple piece rate system has _____.
 (a) Two rates (b) Three rates
 (c) Four rates (d) Five rates
- (8) Time wages are paid on the basis of _____.
 (a) Actual time (b) Standard time
 (c) Time saved (d) Overtime
- (9) Labour turnover is _____.
 (a) Productivity of labour (b) Efficiency of the labour
 (c) Change in the labour force (d) Total cost of the labour
- (10) Packing cost is a _____.
 (a) Production cost (b) Selling cost
 (c) Distribution cost (d) None of the above

- (B) State whether the following statements are True or False. (Attempt any 7) (07)
- (1) Cost Accounting provides data for managerial decision-making.
 - (2) All overtime is not unusual.
 - (3) Store ledger is maintained in the stores department.
 - (4) Cost accounting helps in controlling cost.
 - (5) Wages of delivery van drivers is a selling overhead.
 - (6) .Purchase Requisition Note is prepared by the purchasing department.
 - (7) Bin cards are not a part of accounting records.
 - (8) Direct wages is a fixed cost.
 - (9) Cost and cost accounting are the same.
 - (10) Cost Accounting is a branch of financial accounting.

- Q.2 (a) For the manufacture of a certain product two components A and B are used. The following particulars about these components are available: (15)

	A	B
Normal usage (per week)	60 nos.	60 nos.
Maximum usage (per week)	80 nos.	80 nos.
Minimum usage (per week)	30 nos.	30 nos.
Reorder quantity	400 nos.	600 nos.
Reorder period	4 to 6 weeks	2 to 4 weeks

You are required to calculate for each component:

- (i) Reordering Level
- (ii) Minimum Level
- (iii) Maximum Level
- (iv) Average Stock Level.

OR

- Q.2 (p) Keep stock record on FIFO, and Weighted Averages basis from the following transaction: (15)

Purchases : March 2018

Date	Units	Rate per unit (Rs)
01	500	18
04	700	20
09	900	18
15	300	25
25	200	20
31	500	25

Sales : March 2014

Date	Units	Rate per unit (Rs)
02	200	22
07	500	25
11	400	21
18	800	28
27	500	25

- Q.3 (a) An engineering factory, the following particulars have been extracted for the year ended 31-12-2017. (15)

Particulars	Production Departments			Service Departments	
	A	B	C	X	Y
Direct Wages (₹)	30,000	45,000	60,000	15,000	30,000
Direct Materials (₹)	15,000	30,000	30,000	22,500	22,500
Staff Number	1,500	2,250	2,250	750	750
Electricity (kwh)	6,000	4,500	3,000	1,500	1,500
Asset Value (₹)	60,000	40,000	30,000	10,000	10,000
Light Points	10	16	4	6	4
Area (square meters)	150	250	50	50	50

The expenses for the period were as follows :

Particulars	(₹)	Particulars	(₹)
Power	1,100	Depreciation	30,000
Lighting	200	Repairs	6,000
Stores Overhead	800	General Overheads	12,000
Welfare to Staff	3,000	Rent and Taxes	550

Apportion the expenses of service department Y according to direct wages and those of service department X in the ratio 5: 3: 2 to the production departments. You are required to prepare an Overhead Distribution Summary.

OR

- Q.3 (p) Calculate total weekly remuneration of workers A, B and C on the basis of following information: (08)

- Standard production for each worker - 1,000 units
- Rate of wage - 10 paise per unit
- Bonus -5 for each 1% increase over 90% of standard output
- Dearness allowance per week - 100 per month.
- Output of A-850 units, B-900 units and C-960 units.

- (q) A worker produced 200 units in a week's time. The guaranteed weekly wage payment for 45 hours is Rs 81. The expected time to produce one unit is 15 minutes which is raised further by 20% under the incentive scheme. What will be the earnings per hour of that worker under Halsey (50% sharing) and Rowan bonus schemes? (07)

- Q.4 (a) A factory has 3 production departments (P1, P2, P3) and 2 service departments (S1 & S2). The following overheads and other information are extracted from the books for the month of January 2014. (15)

Expenses	Amount (Rs)	Expenses	Amount (Rs)
Rent	6000	Supervision	9000
Repairs	3600	Fire Insurance for stock	3000
Depreciation	2700	ESI contribution	900
Lighting	600	Power	5400

Particulars	P1	P2	P3	S1	S2
Area sq.ft	400	300	270	150	80
No.of workers	54	48	36	24	18
Wages	18,000	15,000	12,000	9,000	6,000
Value of plant	72,000	54,000	48,000	6,000	-
Stock value	45,000	27,000	18,000	-	-
Horsepower of plan	600	400	300	150	50

Allocate or apportion the overheads among the various departments on a suitable basis.

OR

- Q.4 (p) The following data relates to a firm for the last twelve months: (08)
- Minimum usage of a component 50 units/week
- Maximum usage 120 units/week
- Normal usage 80 units/week
- Delivery period varies from 4 to 6 weeks. Orders are placed for 500 units at a time. Calculate maximum level and minimum level for the component.
- (q) Standard production @ 20 units per hour, general wage rate Rs 2.00 per hour, wage rate if work executed below standard: 80% of general rate, wage rate on execution of work equal to standard 120% of, general rate; production in 8 hrs of one day by Mr. A: 150 units and by Mr. B: 200 units. Compute total remuneration payable to Mr.A and B under the Taylor plan (07)

- Q.5 (a) Explain ABC classification. (08)
- (b) Explain different types of stock levels. (07)

OR

- Q.5 (p) Write short notes on (Attempt any 3) (15)
- (1) Material control
- (2) Overheads
- (3) Reorder level
- (4) Piece rate system
- (5) Costing system

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