

Date: 20.11.2019

Time : (2 ½ Hours)

Total Marks: 75

- N.B. (1) All questions are compulsory.
(2) Figures to the right indicate marks for respective sub questions.

Q.1) Answer the following question.

(A) State whether the following statements are True or False. (ANY 8) (8)

- (1) Cost accounting is used by investors and creditors.
- (2) Costing system helps in measuring profits.
- (3) Stores ledger is maintained in the cost accounting department
- (4) Earnings under Halsey and Rowan plan are the same.
- (5) Canteen expenses are apportioned on the basis of number of workers.
- (6) Overheads are items of direct costs.
- (7) In LIFO method the earliest lots are exhausted first.
- (8) Bill of materials is a cash memo sent by the supplier along with the materials.
- (9) Depreciation is an out of pocket cost.
- (10) Overtime premium is always treated as factory overheads.

(B) Match the following (ANY 7) (7)

- | A | B |
|-----------------------|------------------------------------|
| (1) Raw materials | a) Indirect Labour |
| (2) Indirect cost | b) Economic order quantity |
| (3) Wages of foreman | c) Just in Time |
| (4) EOQ | d) Direct labour |
| (5) Value Analysis | e) Secondary packing materials |
| (6) Average stock | f) Direct cost |
| (7) F.W.Taylor | g) Technique of cost reduction |
| (8) Inflation | h) Opening + Closing stock |
| (9) JIT | i) Father of scientific management |
| (10) Machine operator | j) Real wages reduces |

Q.2) Answer the following question (15)

(a) Classify the following items of cost of Shayaan company ltd.

A)On the basis of function-

Depreciation on office computer

Sales commission

Office rent

Heat & light

Audit fees

B)Traceability to product-

Advertisement expenses

Unproductive wages

Office rent

Primary packing materials

Electricity expenses

- C) Behaviour to change in activity-
 Productive wages
 Legal charges
 Salary to factory manager
 Wages to machine operator on piece rate basis
 Delivery van repairs

OR

- (b) The following particulars of Trombay Ltd .relate to receipts and issues of a materials during March 2019. (15)

4 March 2019	Received 500 units @ Rs.4.00 each
18 March 2019	Received 350 units @ Rs.4.20 each
19 March 2019	Issued 600 units
24 March 2019	Received 600 units @ Rs.4.30 each
25 March 2019	Issued 450 units
26 March 2019	Received 500 units @ Rs.4.40 each
28 March 2019	Issued 510 units
30 March 2019	Issued 100 units

Prepare a Stores ledger account on the basis of :

- A) The FIFO method and
 B) The LIFO method

Q.3 Answer the following question. (15)

- (a) Data relating to slotted angles in a steel furniture manufacturing unit is as follows:

Annual Consumption	2000 kg.
Unit cost	Rs. 40 per kilo.
Storage / carrying cost	8 % of cost per unit
Procurement cost	Rs. 50
Calculate :	
a) E.O.Q. per order in kilos	
b) Annual procurement	
c) Annual carrying cost	
From the above data.	

OR

- (b) 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 earning per hour of that worker under Hasley (50% sharing) and Rowan bonus schemes ? (15)

Q.4 Answer the following question. (15)

- (a) South Indian ltd. a manufacturing unit has three production departments A,B and C and two service departments X and Y. the following estimates of expenses are available for a period .

Particulars	Rs.
Rent and Rates	3,20,000
Power	4,40,000
Staff Welfare Exp.	3,00,000
Insurance on Building	1,60,000
Insurance on Machinery	6,00,000
Staff Canteen Expenses	1,00,000

The other technical details about the departments are as under.

Particulars	Total	A	B	C	X	Y
Floor area ('000 Sq. Ft.)	80	10	20	30	10	10
Number of Workers	50	10	15	15	05	05
H.P. of Machines	100	30	20	25	15	10
Cost of Machines (Rs.lakhs)	10	06	02	01	01	00

The cost of service departments are distributed as under.

Particulars	A	B	C	X	Y
Departments X	40%	30%	20%	-	10%
Departments Y	20%	40%	20%	20%	-

Required show the Primary distribution and Secondary distribution of overheads expenses and the resulting total cost of the production dep.

OR

- (b) Break-up the cost into Fixed cost and variable cost using the method of Least Squares: (15)

Months	Units	Repairs and maintenances
Jan	200	5,600
Feb	220	5,900
March	260	6,500
April	280	6,900

Q.5 Answer the following question. (15)

- (a) Explain the various methods of labour remuneration.
(b) Define Cost explain the various classification of cost.

OR

Short Notes (Any 3) (15)

- (1) Advantages of cost accounting
(2) Overheads
(3) Bin card
(4) Differentiate between LIFO and FIFO.
