

[Time:2.30 Hrs]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:
1. All question are compulsory.
 2. Figures to the right indicate full marks.
 3. Working note should form part of main answer
 4. Use of simple calculators is allowed

Q. 1. A. CHOOSE THE CORRECT ALTERNATIVE (ANY EIGHT)

08

1. Direct Wages is _____ cost.
 - a. Sunk
 - b. Variable
 - c. Fixed
 - d. Semi-Fixed
2. Charging overheads to the cost unit is called _____.
 - a. Division
 - b. Absorption
 - c. Application
 - d. Distribution
3. EOQ stands for _____.
 - a. Entry of Quantity
 - b. Economic Order Quantity
 - c. Economic Offer Quantity
 - d. Easy Order Quantity
4. _____ time means unproductive labour hours.
 - a. Overtime
 - b. Idle
 - c. Normal
 - d. Regular
5. Under the _____ method a new cost is determined after each purchase.
 - a. SLM
 - b. FIFO
 - c. LIFO
 - d. Weighted Average
6. The term _____ cost refers to the costs incurred for acquiring input.
 - a. Opportunity
 - b. Carrying
 - c. Ordering
 - d. Economic
7. _____ is a process of accounting for costs.
 - a. Finalisation
 - b. Auditing
 - c. Cost Accounting
 - d. Financial Accounting
8. Variable cost is a cost which _____ with the increase in output
 - a. remains neutral
 - b. Decreases
 - c. Fixed
 - d. Increases
9. Sum of Direct material, Direct Labour and Direct Expenses is _____ cost.
 - a. Secondary
 - b. Production
 - c. Marginal
 - d. Prime
10. Factory Rent is an example of _____ Overheads.
 - a. Factory
 - b. Office
 - c. Production
 - d. Selling and Distribution

Q. 1. B. State whether True or False (Answer any seven)

07

1. Store ledger is maintained in Sales department.
2. Normal loss is an unavoidable loss.
3. Primary Packaging of Goods is a factory cost.
4. Bin card shows quantity and value of material.
5. Overtime is a non-productive time.
6. In Taylors differential piece rate plan time wages are guaranteed.

7. Clock card is useful for stock taking.
8. Idle time is difference between clocked and time booked.
9. Cash discount are not included in the cost sheet.
10. Overhead absorption is the allotment of overhead to cost unit.

Q. 2. A. You are required to calculate Re-order Level, maximum level, minimum level, and average stock level from the following. 07

Normal usage	70 nos.
Maximum usage	90 nos.
Minimum usage	50 nos.
Reorder quantity	160 nos.
Reorder period	4 to 6 weeks.

b) Anant Ltd. furnishes the following particulars 08

Annual Consumption	300 Units per quarter
Cost per Unit	₹ 40
Cost Of Placing an Order	₹ 600
Annual Carrying Cost	40% p.a.

Calculate the EOQ and Number of Orders per Year.

OR

Q. 2. B. Details of the receipts and issues of coal in a factory during March 2023 15

- 1 Opening stock 2000 tons at 46 per tons
 - 4 Issued 1400 tons
 - 6 Purchased 3500 tons at 45 per ton
 - 8 Return due to damage condition purchased on 8th March 300 tons
 - 9 Issued 800 tons
 - 14 Issued 2100 tons
 - 17 Purchased 2000 tons at 48 per ton
 - 20 Issued 1200 tons
 - 25 Purchased 1800 tons at 47 per ton
 - 28 Issued 2800 tons
 - 31 Excess found in stock 430 tons due to wrong weighing during the month.
- The maximum level fixed is 4000 tons, the minimum 750 tons and the reorder level is 1000 tons Show the Stores Ledger Account under FIFO system and Weighted Average Method.

- Q. 3. A. Calculate the earnings of workers A & B under straight Piece Rate System and Merrick's Multiple Piece Rate System from the following particulars: 08

Normal Rate per hour 5.00

Standard time per unit 1 minute

Output per day is as follows

Worker A 400 units

Worker B 450 units

Working hours per day are 8 Hours

- B. From the following information calculate Labour Turnover as per Replacement Method, Separation Method, Flux Method 07

No. of workers as on 1.1.2023 are 7,500

No. of workers as on 31.12.2023 are 8,500

During the year 100 workers were left and 300 workers were discharged and 1,000 workers were engaged out of which 200 workers were recruited because of exist and the rest were recruited in accordance with expansion plan of company.

OR

- Q. 3. C. From the following particulars you are required to work out the earnings of a worker for a week under: 15

a. Straight piece method

b. Differential piece rate

c. Halsey premium method

d. Rowan premium method

Weekly working hours	48
Hourly wage rate	₹ 15
Piece rate per unit	₹ 6
Normal Time taken per piece	20 minutes
Actual out for the week	150 pieces
Normal output per week	120 pieces

Q.P. Code: 00003827

- Q. 4. A. Dolfin Ltd. have 3 production departments and 2 service Departments, calculate departmental overhead rate for each of production department assuming the overheads are recovered as a percentage of direct wages.

Particulars	Production Department			Service Department	
	A	B	C	X	Y
Direct Wages	60,000	90,000	1,20,000	30,000	60,000
Direct Material	30,000	60,000	60,000	44,000	45,000
Staff Nos.	150	225	225	75	75
Electricity KWH	6,000	4,500	3,000	1,500	1,500
Assets Value	60,000	40,000	30,000	10,000	10,000
Light Points	10	16	4	6	4
Area Sq. Feet	1,500	2,500	500	500	500

Expenses	Amount (₹)
Power	2,200
Lighting	800
Store Overhead	1,600
Staff Welfare	3,000
Depreciation	30,000
Repairs	6,000
General	12,000
Overhead rent and taxes	550

Apportion the expenses of service department Y according to direct wages and those of service Department X in the ratio of 5:3:2 to the production departments.

OR

- Q. 4. B. Sadashiv Ltd. has five department A, B, C are Production departments and S1, S2 are service departments. The actual costs incurred for the month of February, 2023 are as follows:

Supervision	₹ 30,000	Rent	₹ 10,000
Fire Insurance	₹ 10,000	Repairs and Maintenance	₹ 17,000
Power	₹ 18,000	Depreciation on Plant	₹ 8,500
Light	₹ 6,000		

Apportion the above cost to the various departments on the equitable basis.

PARTICULARS	DEPARTMENTS				
	A	B	C	S1	S2
Area (sq. feet)	1,500	1,000	900	500	100
No. of workers	20	10	10	15	5
H.P. Of Machine	8	5	2	0	0
Direct Wages Rs.	3,000	2,000	2,000	1,000	1,000
Value of plant Rs.	12,000	9,000	6,000	3,000	4,000
Value of stock Rs.	15,000	9,000	6,000	0	0
Light Points	4	2	2	1	1

Q. 5. A. Define cost and explain the various classification of costs. 08

Q. 5. B. Distinguish between Financial Accounting And Cost Accounting 07

OR

Q. 5. C Attempt (Any 3 out of 5) 15

1. Under absorption and Over absorption of overheads.
2. Piece rate system
3. Objectives of Cost Accounting
4. Labour Turnover
5. Idle Time
