

DURATION: - 2½ hrs

FUBAF - 412051223 - Cost Acc. (12)

MARKS:- 75

Note: - (1) All questions are compulsory.

(2) All questions carry equal marks.

(3) Figures to the right indicates full marks

Seat No. \_\_\_\_\_

**Q.1.A. Multiple Choice: (Any 8)**

(CO-1,2,3,4- U)(8M)

1. The storekeeper should initiate a purchase requisition when stock reaches
  - a) Minimum level
  - b) Maximum level
  - c) Re-order level
  - d) Average level
2. The costs that result when a company holds an inventory of goods for sale:
  - a) Purchasing costs
  - b) Carrying costs
  - c) Opportunity costs
  - d) Interest costs
3. If the ECQ is 400 units, the ordering cost is Rs.0.20, the carrying cost Rs.20, how many orders are placed per year?
  - a) 1
  - b) 5
  - c) 2
  - d) 4
4. Differential piece wages means
  - a) different wages for different time of performance
  - b) different wages for different time consumed
  - c) different wages for different types of workers
  - d) different wages for different types of industries
5. Normal idle time
  - a) can be avoided
  - b) can be minimized
  - c) cannot be avoided
  - d) can be controlled
6. Halsey premium plan is
  - a) Individual incentive scheme
  - b) Group incentive scheme
  - c) Time and piece wage system
  - d) Differential piece wage system
7. Bonus under Halsey plan is paid
  - a) at 50% of time saved
  - b) at 75% of time saved
  - c) at 80% of time saved
  - d) at 90% of time saved
8. Which of the following is an accounting record?
  - a) Bill of materials
  - b) Bin card
  - c) Stores ledger
  - d) Prime ledger
9. Directors 'remuneration and expenses form a part of
  - a) Production cost
  - b) Administration overhead
  - c) Selling overhead
  - d) Distribution overhead
10. If an item of overhead expenditure was not charged specifically to a single department this would be an example of
  - a) Apportionment
  - b) Allocation
  - c) Re-apportionment
  - d) Absorption

**Q.1.B. State whether the following statement are True or False (any 7):**

(CO-1,2,3,4-U) (7M)

1. All overheads are the cost but all cost are not the overheads.
2. The term inventory includes loose tools.
3. Dearness allowance is linked with cost-of-living index.
4. Labour turnover is the movement of people out of the organization.
5. Cost accounting is a branch of financial accounting.
6. Idle time is difference between clocked and time booked.
7. Bin card shows quantity and value of material
8. Piece worker are paid wages on time basis.
9. EOQ is also called as re-order quantity.
10. Overheads is direct cost.

**Q.2.A. Guddu ltd. furnished the following information.**

Consumption 60,000 units per year

Ordering cost Rs.1,200 per order.

Carrying cost 20%

Price per unit Rs.2,000

Compute: EOQ and Number of orders per year.

(CO-2, AAE) (7M)

**Q.2B.** For a manufacturing of a certain product two component are used as A. the following particular are available of week.

Normal Usage	1200 Units
Maximum Usage	1600 Units
Minimum Usage	800 Units
Reorder quantity	800 Units
Maximum	4 Weeks
Normal	3 Weeks
Minimum	2 Weeks

You are required to calculate:

- a) Reorder Level   b) Minimum Level   c) Maximum Level  
d) Average Level

(CO-2, AAE) (8M)

**OR**

**Q.2.** From the following detail find out closing stock of Mahesh Industrial ltd. as per FIFO method.

Date	Purchase (Units)	Sales (Units)	Price per Unit (Rs.)
1-11-2023	40 (Opening Balance)	-	14.00
2-11-2023	30	-	15.00
4-11-2023	20	-	15.00
5-11-2023	-	40	18.5
10-11-2023	-	10	19.00
17-11-2023	30	-	16.00
20-11-2023	-	25	20.00
28-11-2023	50	-	13.00
30-11-2023	-	40	16.00

On 29-11-2023, two units were found damage and had to be discarded.

(CO-2, AAE) (15M)

**Q.3.** Beeta Level ltd. have 3 production Department and 2 service Department, calculate. Apportion the cost to the various departments on the most equitable basis.

Particular	Production Department			Service Debarment	
	A	B	C	X	Y
Direct Wages	60,000	90,000	1,20,000	30,000	60,000
Direct Material	15,000	30,000	30,000	22,500	22,500
Staff Nos.	150	225	225	75	75
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 sq. ft.	1,500	2,500	500	500	500

The expenses for the period were:

Particular	Amount
Power	2,200
Lighting	800
Store Overhead	1,600
Staff Welfare	3,000
Depreciation	30,000
Repairs	6,000
General overhead	12,000
Rent and Taxes.	550

(CO-4, AAE) (15M)

**OR**

**Q.3.** The following information is extracted from the budget of XYZ ltd. For 2023.

Factory overheads	Rs.62,000
Direct labour cost	Rs.1,00,000
Direct labour hours	1,55,000 hours
Machine Hours	50,000 hours
Direct Material cost	Rs.2,00,000

following details are available for Job 196:

Direct Material Cost	Rs.45
Direct labour cost	Rs.50
Direct labour hours	Rs.40
Machine Hours	Rs.30

2 You are required to workout overhead application rates and ascertain the cost of Job 196 by using the following method of overhead absorption.

Following methods of overheads absorption:

1. Direct Labour hour rate
2. Direct Labour cost
3. Machine hour rate
4. Prime cost

(CO-4, AAE) (15M)

Q.4. Ramesh an employee of TATA co. gets the following emoluments and benefits:

a) Salary	Rs.5,000 Per Month
b) Dearness Allowance (D.A)	Rs.10,500 Per Month
c) <b>Employer contribution to:</b>	
- Provident Fund	8% of Salary and D.A
- E.S.I	4% of Salary and D.A
d) Bonus	20% of Salary and D.A
e) Other Allowances	Rs.54,500 Per annum

Ramesh works for 4, 800 hours per annum, out of which 800 hours are non-productive but treated as normal idle time. You are requested to find out the effective hourly cost of Ramesh. (CO-3, AAE) (15M)

OR

Q.4. Compute the earning of a worker under Time Rate Method, Piece Rate Method, Halsey Plan and Rowan Plan.

Information Given;

Wage Rate: Rs.2 per hour. Dearness Allowance: Rs.1 per hour.

Standard Hours:80 hours, Actual Hours: 50 hours.

(CO-3, AAE) (15M)

Q.5.A. Explain classification of cost.

(CO-1, U, A) (8M)

Q.5.B. Explain the remedial measures for labour turnover.

(CO-2, U, A) (7M)

OR

Q.5. Write Short note :( Any Three)

(CO-1,2,3,4- U,A) (15M)

- a) Distinguish between Financial Accounting and Cost Accounting
- b) Idle Time
- c) Apportionment of Inter service department overheads
- d) Distinguish between Direct Material and Indirect Material

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