

SECTION – B**(5 X 5 = 25 MARKS)****ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)**

11. a) Calculate the cost of production, from the following information

	Rs.
Direct material	90,000
Direct Labour	32,000
Direct Expenses	9,000
Factory overheads	25,000
Office and administration overheads	18,000

(OR)

b) List the Objectives of Cost Accounting

12. a) From the following particulars , Calculate the Economic Order Quantity(EOQ):

Annual usage	- 4,000 units
Cost of material per unit	- Rs. 20
Cost of placing and receiving one order	- Rs. 40
Annual Carrying cost of one unit	- 10% of inventory value.

(OR)

b) A stationery shopkeeper has the following inventory of pencils:

- 100 pencils purchased at Rs. 5 each on January 1st.
 - 150 pencils purchased at Rs. 6 each on February 1st.
 - 200 pencils purchased at Rs. 7 each on March 1st.
- Infer the weighted average cost per pencil.

13. a) Show the earnings of a worker from the following information:

Halsey Plan

Standard Time – 30 hours

Time taken - 20 hours

Hourly rate of wages is Re.1 per hour plus a dearness allowance @ 50 paise per hour worked.

(OR)

13.b) Examine the Gantt's task and Bonus Plan

(OR)

14. a) A company has two departments, A and B. Overheads of ₹50,000 are to be apportioned based on direct labor hours. If Department A has 1,000 hours and Department B has 2,000 hours, calculate the overheads allocated to each department.

(OR)

b) The overheads of Service Departments X and Y are ₹10,000 and ₹5,000 respectively. These are to be distributed to Production Departments A and B using the following percentages:

X: A: 40%, B: 30%, Y: 30%**Y:** A: 50%, B: 20%, X: 30%**(CONTD 3)**

15. a) A transport company operates a truck for 5,000 km per month. The total costs incurred are as follows:

- Fixed costs: ₹20,000
- Variable costs: ₹10 per km

Calculate the cost per km.

(OR)

b) Examine the components of operating costs in transport costing?

SECTION – C

(5 X 8 = 40 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K4 (Or) K5)

16. a) Discuss the advantages and disadvantages of Cost Accounting.

(OR)

b) The Bombay Manufacturing company submits the following information on 31-3-2019

Particulars	Rupees
Sales for the year	2,75,000
Inventories at the beginning of the year-	
Raw Materials	3,000
Work in Progress	4,000
Finished Goods	1,10,000
Purchase of materials	65,000
Direct Labour	6,000
Inventories at the end of the year -	
Raw Materials	4,000
Work in Progress	6,000
Finished Goods	8,000
Other expenses for the year –	
Selling expenses	27,500
Administrative expenses	13,000
Factory overheads	40,000
Prepare Statement of cost and Find the Sales Value	

17. a) Classify the various Stock Control methods.

(OR)

b) Prepare store ledger a/c from the following transactions. Issues are to be priced on the principle of 'First in First Out'. Infer the Stores Ledger Account in respect of the materials for the month of January.

Oct.	1	Opening balance 100 units at Rs. 5 each
	2	Received 500 units at Rs. 6 each
	20	Issued 300 units
Nov.	5	Issued 200 units
	6	Received 500 units at Rs. Each
Dec.	10	Issued 300 units

(CONTD 4)

18. a) XYZ Textile Company in India is implementing the Rowan Plan for labor costing in its garment production unit. The standard time to stitch one piece of a garment is 3 hours. The company pays its workers ₹100 per hour. During a particular day, a worker stitched 30 pieces of garments in 9 hours. Show the labor cost variance using the Rowan Plan.

(OR)

b) ABC Garments Pvt. Ltd. in India has implemented the Taylor Differential Piece Rate System for its sewing unit. The standard time to stitch one piece of a garment is 4 hours. The company pays its workers ₹80 per hour for the first 6 hours of work and ₹100 per hour for any additional hours worked beyond 6 hours in a day. During a particular day, a worker stitched 40 pieces of garments in 10 hours. Find the total wages earned by the worker using the Taylor Differential Piece Rate System.

19. a) Service departments P (₹10,000) and Q (₹5,000) serve production departments M and N. Calculate Apportionment percentages using step ladder method:

P to M, N, and Q: 40%, 40%, 20%

Q to M and N: 60%, 40%

(OR)

b) Service departments U (₹9,000) and V (₹7,000) serve two production departments, C and D. Calculate Apportionment percentages using Trial and Error method:

U to C, D, and V: 60%, 20%, 20%

V to C, D, and U: 40%, 40%, 20%

20. a) What are the objectives of transport costing?

(OR)

b) A taxi operates for 3,000 km in a month with the following costs:

- Fixed costs: ₹15,000

- Variable costs: ₹8 per km

If the total revenue for the month is ₹50,000, calculate:

(a) Cost per km

(b) Profit per km

ETHICAL PAPER
