



Date: 10-04-2019  
Time: 09:00-12:00

Dept. No.

Max. : 100 Marks

**PART - A**

**Answer ALL Questions**

**(10\*2=20 Marks)**

1. Define job costing
2. Minimum and maximum consumption 25 and 75 units respectively.  
Reorder quantity 300 units Reordering period 4-6 weeks  
Calculate reorder level ,maximum stock level and minimum stock level
3. What is labour?
4. Explain the meaning of overtime.
5. What is machine hour rate?
6. What is ABC analysis?
7. What is process costing?
8. What is EOQ?
  9. What do you mean by Activity Based Costing?
  10. A manufacturer buys certain equipment from outside supplier at Rs. 30 per unit. Total annual needs are 80,000 units. The following further data are available.  
Annual Return on Investment \_ 10%  
Rent, Insurance, Taxes per unit per year \_ Rs. 13  
Cost of placing an order Rs. 100  
Determine the EOQ

**PART - B**

Answer any four Questions.

**(4\*10=40 Marks )**

11. The Raju Road Transport Co. which keep a fleet of lorries, given the following information:

Kilometers run	30,000
Wages	Rs2,000
Petrol	Rs.4,000
Original cost of Vehicle	Rs. 1,00,000
Depreciation on original cost	10%
Repairs	Rs.6,000
Garage Rent	Rs.1,000
License	Rs.6000

Prepare a statement for April showing the fixed and variable cost per running km.

12. Distinguish between Job Costing & Process Costing?

13. You are required to prepare Contract Account showing the profit on the contract on 30<sup>th</sup> April 1980 from the following Particulars

Particulars	RS
Contract Price	1,00,000
Material Sent on Site	32,250
Labour engaged on site	27,400
Plant installed at site	5,650
Work Certified	71,500
Cash received form contractor	65,000
Value of plant on 30 <sup>th</sup> April 1980	4,100
Cost of work done but not certified	1,700
Direct Expenditure	1,200
Cost of establishment	1,625
Wages outstanding at 30 <sup>th</sup> April 1980	900
Materials in hand on 30 <sup>th</sup> April 1980	700
Direct Expenses outstanding on 30 <sup>th</sup> April 1980	100
Materials returned to stores	200

14. What are the Requisites of a good costing system?

15. A worker is paid at 25 paise per hour for completing a work within 8 hours. If he completes the work within 6 hours, calculate his wages under Halsey plan when the rate of Premium is 50%. Also ascertain the effective hourly rate of earning by the worker.

16. What are the Essentials of a good wage payment system?

17 . From the following particulars compute the machine hour rate

Cost of the machine	Rs.11,000	
Scrap value		Rs.680
Repairs for the effective working life		Rs.1,500
Standing charges for 4 weekly period		Rs. 40
Effective working life	10,000 hours	
Power used: 6 units per hour at 5 paise per unit		
Hours worked in 4 weekly period:	120 hours.	

**PART – C**

**ANSWER ANY TWO QUESTIONS**

**( 2\*20 = 40 )**

**18.** What is the role of Cost Accountant?

**19.** The following details pertain to the production dept of a factory

Material Consumed – Rs. 60,000

Direct Wages – Rs. 40,000

Machine Hours – Rs. 50,000

Labour Hours Worked – Rs. 25,000

Factory O/H relating to the dept – Rs. 50,000

Calculate Overhead absorption rates under different possible methods from the above details

**20.** From the following particulars given below prepare stores ledger a/c FIFO method

Jan 1 Opening stock 1000 units @Rs26 each

5 purchased 500 units @ Rs 24.50 each

7 Issued 750 units

10 purchased 1500 units @Rs 24 each

12 Issued 1100 units

15 Purchased 1000 units @Rs 25 each

17 Issued 500 units

18 Issued 300 units

25 Purchased 1500 units @Rs 26 each

29 Issued 1500 units

**21.** From the following figures prepare a reconciliation statement.

Net profit as per financial records 1,28,755

Net profit as per costing records 1,72,400

Works overheads under recovered in cost 3,120

Administrative overhead recovered in excess 1,700

Depreciation charged in financial records 11,200

recovered in costing 12,500

Interest received but not included in costing 8,000

Obsolescence loss charged in financial records 5,700

Income tax provided in financial books 40,300

Bank interest credited in financial books 750

Stores adjustments (credit in financial books) 475

Depreciation of stock charged in financial books 6,750

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