



PART – B

Answer **any eight** questions in **one** or **two** sentences **each**. **Each** carries a weightage of **one**.

- 9) What do you mean by indirect materials ?
- 10) What is ABC analysis ?
- 11) What do you understand by labour turnover ?
- 12) What is overtime ?
- 13) What is abnormal effectiveness ?
- 14) What do you mean by office overheads ?
- 15) What is unit costing ?
- 16) What is job order costing ?
- 17) What is a cost centre ?
- 18) Define costing. (W. = 8×1 = 8)

PART – C

Answer **any six** questions. Answer **not** to exceed **one** page. **Each** carries a weightage of **two**.

- 19) Explain the scope of cost accounting.
- 20) Explain the basic methods of wage payment.
- 21) What are the methods of overhead absorption ?
- 22) Explain Economic Batch Quantity.
- 23) Calculate EOQ and number of orders to be placed per year.
Materials consumed p.a. – 10,000 kg
Buying cost per order – ₹ 50
Cost of material per kg – ₹ 2
Storage cost – 8% of cost.



24) From the following details prepare Stores Ledger Account under FIFO method

Purchases	Issues
1 - 1 - 2014 - 800 units @ ₹ 20/ut	9 - 1 - 2014 - 600 units
8 - 1 - 2014 - 700 units @ ₹ 18/ut	10 - 1 - 2014 - 800 units
17 - 1 - 2014 - 800 units @ ₹ 21/ut	

25) Y Ltd. has undertaken a contract on 1st January 2013. The details of the contract on 31st December 2013 is as follows. Prepare Contract A/c.

	₹		₹
Contract price	- 60,00,000	Plant at site	- 3,00,000
Materials	- 10,80,000	Materials at site	- 60,000
Wages	- 17,04,000	Work certified	- 30,00,000
Other expenses	- 69,000	Work uncertified	- 90,000
Cash received	- 22,50,000		

Plant at site is to be depreciated at 10%.

26) Worker A finishes a job in 80 hours and worker B finishes the job in 120 hours. Standard time is 200 hours and standard rate per hour is ₹ 5. Calculate the wages of the workers under (a) Halsey plan and (b) Rowan plan. (W. = 6x2 = 12)

PART - D

Answer any two. Each question carries a weightage of four.

27) Discuss how a good system of cost accounting serves the management.



- 28) A factory has 3 production departments A, B, C and two service departments P and Q. Departmental distribution of overheads shows the following :

	A	B	C	P	Q
	₹	₹	₹	₹	₹
Overheads as per departmental distribution	6,50,000	6,00,000	5,00,000	1,20,000	1,00,000

	A	B	C	P	Q
Allocation of service dept. Expenses :					
P	30%	40%	15%	—	15%
Q	40%	30%	25%	5%	—

Show how the expenses of service departments are charged to production departments under simultaneous equation method.

- 29) The product of a company passes through 3 processes A, B and C. 20,000 units were issued to process A at a cost of ₹ 20,000. Details are given below :

	Process A	Process B	Process C
Materials (₹)	12,000	8,000	4,000
Labour (₹)	16,000	12,000	6,000
Manufacturing expenses (₹)	2,000	2,000	3,000
Normal loss on input	2%	5%	10%
Scrap value (₹)	5/100 uts	5/100 uts	20/100 uts
Output (uts)	19,500	18,800	16,000

There is no work-in-progress in any process.

(W. = 2×4 = 8)