Q.1. Objectives Questions

(A) Multiple Choice Questions (8 out of 10)   (08)

1. ESI stands for _____
   (a) Employee state insurance
   (b) employee stock insurance
   (c) employee second income
   (d) employee state scheme

2. Time and motion study is conducted by the _____
   (a) finance department
   (b) Time keeping department
   (c) payroll department
   (d) non of above

3. FIFO stands for _____
   (a) first in first out
   (b) fish in fish out
   (c) Fast in fast out
   (d) final in final out

4. Time study is for _____.
   (a) Fixation for standard time
   (b) Efficiency of the Labour
   (c) To find out actual hours
   (d) Total cost of the Labour

5. _____Number of methods available for calculation of labour turnover
   (a) Three
   (b) One
   (c) Two
   (d) Four

6. Wages sheet is prepared by _____
   (a) payroll department
   (b) personal department
   (c) engineer department
   (d) time keeping department

7. Depreciation is allocated on basis of _____
   (a) value of assets
   (b) no of worker
   (c) value of stock
   (d) area square feet

8. Material is issued by store keeper against_____
   (a) material requisition
   (b) Material order
   (c) goods receive note
   (d) Purchase requisition

9. Rent is distributed on basis of _____
   (a) Area square feet
   (b) no of worker
   (b) No of machine
   (d) value of stock

10. Bad debts is an example of _____.
   (a) Selling overheads
   (b) administration overheads
   (c) production overheads
   (d) factory overheads

(B) State whether the following are true or False: (7 out of 10)   (07)
1. Prime cost includes admin overheads.
2. financial accounting is a branch of cost accounting.
3. variable cost varies with time rather than volume.
4. Purchase order is prepared by sales department.
5. Waste can be realised.

6. Allocation and apportionment of overheads means the same thing.
7. Time books records time to arrival and departure of each material.
8. Cost accounting provides data for financial decision making.
9. Clock card is useful time booing record.
10. Store ledger is maintained in the sales department.

Q.2. (A) The following information is available in respect of material: (08)
Re-order quantity = 1,500 units.
Re-order period = 2 – 6 months
Maximum consumption = 600 units per month
Normal consumption = 450 units per month
Minimum consumption = 400 units per month
Calculate: (a) Re-order level (b) Minimum level (c) Maximum level (d) Average stock level

Q.2. (B) The following particulars apply to a particular job: (07)
Standard production per hour – 6 units
Standard working hours – 8
Normal rate per hour – Rs.1.20
prem produced 32 units
sham produces 45 units
ratan produces 50 units
Calculate the wages of these workers under Merrick Differential Piece Rate System.

OR

Q.2. (C) From the following data of April, 2014, calculate the cost of goods sold and value of Closing Stock using the following methods – FIFO and weighted Average Price: (15)

Date (April 2014)	Transaction	Units	Rate
01-01-2014	Opening balance	50	25
04-01-2014	Purchase	40	30
17-01-2014	Purchase	60	28
20-01-2014	Sale	50	35
22-01-2014	Purchase	80	29
25-01-2014	Sale	80	33
28-01-2014	Sale	20	34
30-01-2014	Purchase	100	26
31-01-2014	Sales	90	35

Q.3. (A) The following information is supplied from the costing records of a company. (15)

Particulars	Amount	Particulars	Amount
Rent	6,000	Supervision	9,000
Repair	3,600	Fire insurance for stock	3,000
Deprecation	2,700	ESI contribution	900

| Lighting | 600 | Power | 5,400 |

Particulars	Production department			Service department	
	P1	P2	P3	S1	S2
Area (Sq. mtr.)	400	300	270	150	80
Number of Worker	54	48	36	24	18
Total Direct wages (Rs.)	18,000	15,000	12,000	9,000	6,000
Value of Plant (Rs.)	72,000	54,000	48,000	6,000	-
Stock value	45,000	27,000	18,000	-	-
Horse power of plant	600	400	300	150	50

Prepare a statement showing Primary Overheads Distribution overheads.

OR

Q.3. (B) Calculate the earnings of a worker under (i) Halsey Plan and (ii) Rowan Plan from
The Following particulars: **(08)**
Standard time = 36 hours
Actual Time = 30 hours
Rate per hours = Rs 10

Q.3. (C) from following information calculate. Economic order quantity.   **(07)**
Annual Consumption   1,000 units
Purchase price of input unit   Rs.20
Ordering cost per order   Rs.40
Carrying cost   10%

Q.4. (A) Calculate the total earnings of a worker using the Halsey and Rowan Plan based on
the following information.   **(08)**
Time allowed to complete the job   24 hours
Time taken to complete the job   18 hours
Rate of wages per hour   Rs. 20

Q.4. (B) From the following date for the year ended 31st December, 2021, calculate the
Inventory turnover ratio of two items and put forward your comments on item   **(07)**

Particulars	Material I (Rs.)	Material II (Rs.)
Opening Stock (1st January, 2021)	1,400	2,000
Purchasing during the year	23,000	3,600
Closing Stock (31st December, 2021)	1,000	2,400

OR

Q.4. (C) Basic pay Rs7,00,000; lease rent paid for accommodation provided to an employee
Rs 2,00,000. Amount recovered from employee Rs 40,000, employer's contribution
to P.F. Rs 75,000, Reimbursement of medical expenses Rs 67,000, hospitalization

expenses of employee's family member born by the employer Rs 19,000, festival bonus Rs 50,000. Compute the employee cost. **(08)**

(07)

Q.4. (D) For direct material xxx the following details are available:

Average inventory level	200
Orders per year	40
Average daily demand	48
Working days per year	250
Annual ordering cost	₹ 4000
Annual carrying cost	₹ 6000

Required: determine the annual demand, the cost of placing an order, the annual carrying cost of one unit, and the economic order quantity

Q.5. (A) Write a Distinguish between periodic Vs perpetual inventory system. **(08)**
(B) Define Cost and explain the classification of cost on basis of elements. **(07)**

OR

Q.5. Write short notes on: (3 out of 5) **(15)**
   a) Features of Cost Accounting
   b) Purchase order
   c) Weighted average method
   d) Cost centre
   e) Fixed cost