N.B.: 1. All Questions are compulsory subject to internal choice.
2. Figures to the right indicate full marks.

Q.1. Objectives Questions. **(15)**

(A) State whether the following are true or false: (Any 8) **(08)**

1. Uniform costing helps in cost control.
2. Rent received is only credited in financial accounts.
3. Debenture interest is excluded from cost sheet.
4. Labour turnover can be reduced.
5. Under FIFO method, stock purchased first is deemed to be issued first.
6. Stores ledger is maintained in the stores department.
7. The economic order quantity is the re-order quantity.
8. Danger level is normally a level below the minimum stock level.
9. Normal loss is shown on the credit side of process account.
10. The output of process I becomes the input of process 2.

(B) Match the following : (Any 7) **(07)**

	A		B
1.	Target Costing	a.	Cost management tool
2.	Just in Time	b.	Finance overhead
3.	Direct Material	c.	Scrap value
4.	Bad debt	d.	Direct cost
5.	Carriage outward	e.	Japan by Toyota Motors
6.	Actual loss < Normal loss	f.	Factory overhead
7.	Normal Loss	g.	Raw material consumed
8.	Bonus System	h.	Selling and Distribution overhead
9.	Depreciation on plant and Machinery	i.	Abnormal Gain
10.	Prime Cost	j.	Halsey premium plan

Q.2. Product A is obtained after it passes through three distinct processes, I, II and III. The following information is obtained from the accounts for the month of march,2018 : **(15)**

Particulars	TOTAL (Rs.)	Process I	Process II	Process III
Direct material	15,084	5,200	3,960	5,924
Direct wages	18,000	4,000	6,000	8,000
Production overheads	18,000	-	-	-

1000 units at Rs.6 each introduced into Process I. There was no stock of material or work in progress at the beginning or at the end. The output of each process passes directly to the next process and finally to the finished stock. Production overhead is recovered at 100% of direct wages. The following additional data are obtained :

Process	Output during the month (units)	Percentage of normal loss to input	Value of scrap per unit a(Rs.)
I	950	5%	4
II	840	10%	8
III	750	15%	10

OR

Q. 2. The following is supplied from the costing records of a company : **(15)**

Particulars	Rs.	Particulars	Rs.
Rent	2,000	Insurance(stock)	1,000
Maintenance	1,200	Employer's contribution to P. F.	300

Depreciation	900	Energy	1,800
Lighting	200	Supervision	3,000

Particulars	Dept A	Dept B	Dept C	Dept D
Floor space (Sq. Meter)	150	110	90	50
Number of workers	24	16	12	8
TOTAL direct wages(Rs.)	8,000	6,000	4,000	2,000
Cost of machinery (Rs.)	24,000	18,000	12,000	6,000
Stock of goods (Rs.)	15,000	9,000	6,000	-

Prepare a statement showing apportionment of costs to various departments.

Q.3. (a) From the following particular find out the Economic Order Quantity : **(08)**

Annual Demand 12,000 units

Ordering cost Rs. 90 per order

Inventory Carrying cost per annum per unit Rs. 15

Q.3. (b) Calculate the earnings of a worker under.

(i) Halsey plan and (ii) Rowan plan from the following particulars **(07)**

Hourly Rate of wages	- Rs. 10 per hour
Standard time	- 48 hours
Actual time taken by the worker	- 40 hours

OR

Q.3. Calculate by FIFO method of inventory valuation, the cost of goods sold and value of closing inventory from the following data : **(15)**

Date	Transactions	Units	Price Per unit
01-01-013	Opening Stock	1,500	20
05-02-013	Purchases	750	25
10-03-2013	Purchases	600	22
15-03-2013	Sales	1,800	30
12-04-2013	Sales	750	31
16-05-2013	Purchases	600	25
25-06-2013	Sales	750	32
28-6-2017	Purchases	200	30
29-06-2017	Sales	100	25

Q.4. The following data have been extracted from the books of Shri Ganesh Industries Ltd. for the year 2017: **(15)**

Particulars	**Amount**
Opening Stock of Raw Materials	25,000
Purchases of Raw materials	85,000
Closing Stock of Raw materials	40,000
Carriage Inwards	5,000
Wages (Direct)	75,000
Wages (Indirect)	10,000
Other Direct Charges	15,000
Rent and Rates :	
- Factory	5,000
- Office	500
Indirect Consumption of Material	500
Depreciation on Plant	1,500
Depreciation on Office Furniture	100
Salary :	
- Office	2,500
- Salesman	2,000
Other Factory Expenses	5,700
Other Office Expenses	900
Managing Director's Remuneration	12,000

Other Selling Expenses	1,000
Travelling Expenses of Salesman	1,100
Carriage Outwards	1,000
Sales	2,50,000
Advance Income Tax paid	15,000
Advertisement	2,000

The Managing Director's Remuneration is to be allocated Rs. 4,000 to factory, Rs. 2,000 to the office and
Rs. 6,000 to selling departments. From the above information prepare a statement of cost showing **(a) Prime Cost; (b) Works Cost; (c) Cost of Production ; (d) Cost of Sales; (e) Net Profit.**

OR

Q.4. The net profit of Dhura Ltd. shown by cost accounts for the year ended 31st March 2015 was Rs. 10,35,000 and by financial accounts for the same period was Rs. 5,00,200.
A scrutiny of the figures of the financial accounts and the cost accounts revealed the following facts: **(15)**

Particulars	Amount
1. Administrative overhead under recovered in cost accounts	14,800
2. Factory overhead over-recovered in cost accounts	20,000
3. Depreciation over charged in financial accounts	40,000
4. Interest on Investment	20,000
5. Loss due to Obsolescence charged in financial accounts	24,000
6. Abnormal labour wastage charged in financial accounts	2,00,000
7. Income tax provided in financial accounts	2,80,000
8. Bank interest credited in financial accounts	4,000
9. Stocks adjustment credited in financial accounts	28,000
10. Loss due to depreciation in stock values charged in financial accounts	48,000

Prepare Reconciliation Statement.

Q.5. (A) How is Cost Classified? **(08)**

(B) Explain Bench Marking in Detail? **(07)**

OR

Q. 5. Short Notes (Any 3) **(15)**

(a) Financial Accounting v/s Cost Accounting
(b) Target Costing
(c) Stock Levels
(d) Cost Sheet
(e) Weighted Average method of Inventory valuation