Duration: 2 hrs **Max Marks: 50 mks**

Instructions:

1. *All questions are compulsory*
2. *Start each new question on a fresh page*
3. *Figures to the right indicate maximum marks*

Q1. Write short notes on :- (Any 5) **(10 Mks)**

a) Fixed Cost
b) LIFO Method
c) Labour Turnover
d) Standard Costing
e) Cost Accounting
f) Piece Rate System
g) Danger Level

Q2A) Prepare a cost sheet from the following information for the year ended 31st March 2015 showing:
a) Prime Cost b) Factory Cost c) Cost of Production d) Total Cost e) Profit **(10 Mks)**

Particulars	Amount
Direct Materials	33,000
Factory Rent and Rates	7,500
Factory Heating and Lighting	1,000
Direct Wages	35,000
Office Rent and Rates	4,000
Power Expenses	1,500
Direct Expenses	15,000
Factory Managers Remuneration	14,000
Depreciation on Plant and Machinery	1,500
Depreciation on Office Furniture	500
Legal Charges	500
Salesman Salary	5,000
Office Insurance	2,000
Warehouse Rent	4,000
Advertisement Expenses	3,000
Travelling Expenses of Salesman	1,000
Office Managers Remuneration	8,000
Bad Debts Written off	1,000
Sales	1,51,000

OR

Q2B) a) Explain Material Procurement procedure. **(4 Mks)**

b) From the following transactions prepare Stores Ledger account using Simple Average Method. **(6 Mks)**

Apr 3	Purchased	500 units @ Rs. 4 per unit
Apr 5	Issued	400 units
Apr 13	Purchased	900 units @ Rs. 4.30 per unit
Apr 15	Issued	400 units
Apr 23	Purchased	600 units @ Rs.3.80 per unit
Apr 25	Issued	600 units

Q3) A) a) Write short notes on: **(4 Mks)**
i) Simple Average Method ii) Weighted Average Method

b) From the following transactions prepare Stores Ledger Account using LIFO Method **(6 Mks)**

Oct 1	Opening Stock	500 units @ Rs. 20 each
Oct 4	Issued	200 units
Oct 10	Purchased	150 units @ Rs. 22 each
Oct 12	Issued	100 units
Oct 20	Purchased	200 units @ Rs. 25 each
Oct 28	Issued	300 units

Q5) B) a) Write a short note on Minimum Level. (2 Mks)

b) Calculate Minimum level, Maximum level, Re-order level and Average Stock level from the following information. (8 Mks)

Re-order quantity	1500 units
Re-order period of materials	4 to 6 weeks
Maximum Consumption	400 units per week
Normal Consumption	300 units per week
Minimum Consumption	250 units per week

Q4) A) a) Write short notes on the following: **(6 Mks)**

1) Time Rate System
2) Rowan Plan
3) Halsey Premium Plan

b) Calculate the total earnings of a worker under Halsey Premium Plan and also find out effective rate of earnings per hour from the following information. **(4 Mks)**

Time Allowed – 48 Hours
Time Taken – 40 Hours
Rate per Hour – Rs. 10
Percentage of bonus – 50%

OR

Q4) B) a) Write a short note on Taylor's Differential Piece Rate System. **(2 Mks)**

b) Calculate the earnings of worker X and Worker Y under Piece Rate System and Taylor's Differential Piece Rate System from the following particulars: **(8 Mks)**

Standard Production – 10 units per Hour
Normal time rate – Rs 5 per Hour
Workers work for 10 hours per day.
Differential Piece Rate to be applied as follows:
1) 80% of piece rate for below standard performance
2) 120% of piece rate for performance at or above standard
Actual Performance:
Worker X produced 80 units in a day and Worker Y produced 110 units in a day.

Q5) A) A product passes through 3 processes. During December 2015, 1000 finished units were produced with the following expenditure. **(10 Mks)**

Particulars	Process A	Process B	Process C
	Amount	Amount	Amount
Direct Material	1,000	2,000	1,000
Direct Wages	5,000	4,000	3,000
Direct Expenses	500	600	1,000

Overhead expenses amounted in all to Rs. 6,000. These expenses are to be allocated on the basis of direct wages. Main raw material issued to Process A besides above direct material was worth Rs.6,000. Prepare Process Account.

OR

Q5) B) Following expenses were incurred by a contractor on contract which he started on 1st January 2014 **(10 Mks)**

	Rs
Materials	40,000
Wages	50,000
Other Expenses	15,000
Plant at cost	50,000
Work Certified	1,20,000
Work Uncertified	60,000
Materials in Hand	11,000
Plant on Hand	43,000
Cash Received from Contractee	1,00,000
Material returned to stores	2,000
Cr...	5,000