

SARASWAT VIDYALAYA'S
SRIDORA CACULO COLLEGE OF COMMERCE & MANAGEMENT STUDIES
KHORLIM, MAPUSA-GOA.
B.COM FIFTH SEMESTER END EXAMINATION (SPECIAL EXAMINATION) MARCH, 2022
w.e.f 2019-20 CBCS
COST ACCOUNTING MAJOR II : COST ACCOUNTING II

DURATION: 2 HOURS

MAX MARKS: 80

INSTRUCTIONS:

- 1) **Question No.1** is compulsory.
- 2) Attempt **Any Three** questions from **Question No.2** to **Question No.6**.
- 3) Each question carries 20 marks.
- 4) Give working notes wherever necessary.

Q.1) Prince ltd has three production dept **L, M** and **N** and two service departments **P** and **Q**. The company supplied the following information for the year ending 31st Dec 2021

Particulars	Amount	Particulars	Amount
Rent	5000	Indirect materials	1500
Power	4000	Depreciation	5000
Electricity	2000	Welfare expenses	1300

Other information:

Particulars	Production dept			Service dept	
	L	M	N	P	Q
Direct wages (Rs)	4000	5000	3000	---	---
Direct materials (Rs)	5000	6000	4000	---	---
Area (sq. ft)	1100	1300	1200	500	900
No of workers	50	10	40	10	20
No of light points	8	12	10	4	6
H.P. Machines	5	10	10	6	9
Value of machines	15000	30000	22500	---	7500

Expenses of service department **P** and **Q** are apportioned as under:

	L	M	N	P	Q
Ser. Dept P	20%	40%	30%	---	10%
Ser. Dept Q	30%	20%	30%	20%	---

Prepare Primary Distribution Summary and Secondary Distribution using **Repeated Distribution**

Method

(20)

Q.2) From the following particulars you are required to calculate the earnings of worker for a week

Under:

- 1) Straight piece rate system
- 2) Taylors differentials piece rate system
- 3) Halsey premium plan
- 4) Rowan premium plan

Number working hours per week	:	48 hours
Wages per hour	:	Rs 11.50
Rate per piece	:	Rs 4.50
Normal time taken per piece	:	20 minutes
Normal output per week	:	150 pieces
Actual output per week	:	180 pieces
Differentials piece rate	:	80% of piece rate below normal production and 120% of piece rate above normal production

(20)

Q.3) (A) Compute the Machine hour rate from the following information

Cost of machine	:	Rs 1,00,000
Installation charges	:	Rs 10,000
Estimated scrap value after expiry of its life (15 years)	:	Rs 5,000
Rent and rates for the shop per month	:	Rs 200
General lighting for the shop per month	:	Rs 300
Insurance premium for the machine per annum	:	Rs 960
Repairs and maintenance expenses per annum	:	Rs 1,000
Power consumption	:	10 units per hour
Rate of power per 100 units	:	Rs 20
Estimated working hours per annum (includes setting up time of 200 hours)	:	2,200
Shop supervisors salary per month	:	Rs 600

The machine occupies 1/4th of the total area of the shop. The supervisors is expected to devote 1/5th of his time for supervising the machine.

(12)

(B) The following figures have been extracted from the books of manufacturing company.

Particulars	Amount
Material used	60000
Direct labour	30000
Factory overheads	18000

The following information relates to job no 17

Particulars	Amount
Material used	1200
Direct labour	650

You are required to calculate overheads chargeable to the jobs by the following methods and show comparative statement of Job No 17.

1) Direct material cost

2) Direct Labour cost **(08)**

Q.4)(A) Mr. Ramesh an employee of Honda Ltd gets the following emoluments and benefits

Basic wages Rs 42,000 per month

Dearness allowance 50% of basic

Employees contribution to Provident fund 10% of basic

Employees contribution to state insurance 4% of basic

Bonus 20% of basic

Other allowances Rs 36,000 p.a.

He works for 2,000 hours per annum, out of which 200 hours are normal idle time. Employers contribution to PF and ESI is equal to rate with employees contribution.

Calculate net wages payable and effective hourly cost **(10)**

(B) What is Idle Time? Explain the types of idle time. **(10)**

Q.5)(A) What is Profit sharing scheme? Explain merits of Profit Sharing Scheme **(10)**

(B) What are overheads? Explain classification of overhead costs. **(10)**

Q.6) Answer **ANY FOUR** from the following

(4 x 5 =20)

- a) Methods of Time keeping
- b) Labour Turnover
- c) Departmentalisation
- d) Allocation & Apportionment
- e) Actual and Pre-determined overheads rates