

T.Y.B.COM. SEM – V (2014 Course) : SUMMER - 2019
SUBJECT : GROUP A : COST & MANAGEMENT ACCOUNTING – III

Day : Tuesday
Date : 30/04/2019

S-2019-0428

Time : 12.00 NOON TO 02.00 PM
Max. Marks : 40

N.B:

- 1) Solve any **FOUR** questions.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of **CALCULATOR** is allowed.

Q.1 Answer any **TWO** of the following: **(10)**

- a) Overtime
- b) Distinction between time keeping and time booking
- c) Meaning and methods of time keeping
- d) Features of sound wage plan

Q.2 On the basis of the following information, calculate the earnings of A and B **(10)**
on the Straight Piece Rate basis and Taylor's Differential Piece Rate System

Standard Production – 4 Units per hour

Normal Time Rate – ₹ 20 per hour

Differentials to be applied –

- 80% of Piece Rate below standard
- 120% of Piece Rate at above standard

In a day of 8 hours, Actual Production was as follows:

A – 25 Units

B – 35 Units

Q.3 Vidya Ltd., Pune has three production departments viz 'P', 'Q' and 'R' and **(10)**
two service departments 'S' and 'T'. The primary distribution summary of
March, 2018 gives the following details.

Production Departments –
• 'P' – ₹ 8,000
• 'Q' – ₹ 7,000
• 'R' – ₹ 8,000
Service Departments –
• 'S' – ₹ 5,000
• 'T' – ₹ 2,000

The Service Departments costs of 'S' and 'T' Departments are to be charged
on the basis of the following percentages.

Particulars	'P'	'Q'	'R'	'S'	'T'
Service Departments 'S'	20%	40%	30%	–	10%
Service Departments 'T'	40%	20%	20%	10%	–

You are required to prepare Secondary Distribution Method or Simultaneous
Equation Method.

P.T.O.

Q.4 The following particulars relates to a new machine purchased by a manufacturing company. (10)

Particulars	₹
Purchase price of the machine	₹ 4,00,000
Rent and rates per quarter	₹ 15,000
Installation expenses	₹ 20,000
Monthly lighting charges for the total area	₹ 1,000
Estimated value of scarp at the end of the 10 th year	₹ 20,000
Foreman's salary for the year	₹ 30,000
Estimated life of the machine 10 years	
Annual insurance premium for the machine	₹ 3,000
Running of the machine in its lifetime	Hrs. 2,00,000
Estimated repairs and maintenance for the machine for a period of 12 months	₹ 5,000
Machine occupies 25% of the total area	
Consumable stores	₹ 3,000 p.a.
Sundry supplies	₹ 1,000 p.a.
Time devoted by the foreman – 1/6 th of his time.	
Power consumption : 5 units per hour @ ₹ 5 per 100 units.	

You are required to prepare a statement showing computation of Machine Hour Rate.

Q.5 Write short notes on any **TWO** of the following: (10)

- Incentives
- Labour hour rate
- Over absorption of overhead
- Taylor's differential piece rate system

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