S.D.E.

T. Y. B. Com. (2008 Course) : SUMMER - 2019

SUBJECT: COST & MANAGEMENT ACCOUNTING - II

Day: Monday
Date: 15/04/2019

Time: 03.00 PM TO 06.00 PM
Max. Marks: 80

S-2019-4698

N.B.:

1) All questions are **COMPULSORY**.
2) Figures to the right indicate **FULL** marks.
3) Answers to both the sections should be written in **SAME** answer book.
4) Use of **CALCULATOR** is allowed.

SECTION-I

Q.1 Answer any **FOUR** of the following: **(16)**

a) Incentives
b) Time Booking – meaning and methods
c) Functional classification of overheads
d) Distinction between Halsey plan and Rowan Plan
e) Features of sound wage plan
f) Overtime

Q.2 The following are the details as regards a worker who worded for Job A and Job B. **(16)**

Job	Time Allowed	Time Taken
A	26 Hrs.	20 Hrs.
B	30 Hrs	20 Hrs

His normal and basic rate of wages was Rs. 8 per day of 8 hours and his dearness allowance was Rs. 12 per week of 48 hours.
Calculate:
i) Time Rate Plan ii) Halsey Premium Plan
iii) Rowan Premium Plan

OR

Q.2 Rutuja Ltd. has three Production Depts. viz A, B and C and two Service Depts X and Y. The following are the total overhead expenses as per departmental distribution summary for the month of March, 2018.

A) Production Depts -	Rs.	B) Service Depts -	Rs.
• A -	2,000	• 'X' -	760
• B -	2,500	• 'Y' -	700
• C -	3,000		

The expenses of the Service Depts are charged out on a percentage basis as follows.

Particulars	'A'	'B'	'C'	'X'	'Y'
Service Dept 'X'	30%	30%	30%	-	10%
Service Dept. 'Y'	20%	20%	30%	30%	-

Prepare a Statement showing the apportionment of Service Dept. expenses to Production Dept. by Simultaneous Equation Method.

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SECTION-II

Q.3 Jay Bharat Constructions undertook a Contract NO. 1000 for Rs. 4,00,000 on 1st April, 2017. They incurred the following expenses during the year 2017-2018. **(16)**

	Rs.
Materials issued from stores	36,600
Materials transferred from Contract No. 45	3,400
Materials directly purchased for the contract	10,000
Materials in hand on site	2,500
Plant issued for contract	20,000
Wages paid directly	70,000
Architect's fees	3,000
Wages due but not paid	1,000
Direct expenses outstanding	600
Cash received from contractee	1,44,000
Work Certified	1,80,000
Cost of work uncertified	1,500

Of the Plant and Materials charged to contract, Plant costing Rs. 4,000 and Materials costing Rs. 3000 were lost. On 31-03-2018 plant costing Rs. 3,000 was returned to stores. Charge depreciation on plant @ 15% p.a. as per written down value method. Prepare Contract Account for the year ended 31-3-2018

OR

Q.3 a) Distinguish between Job Costing and Contract Costing.

b) Define 'Job Costing'. and explain its merits.

Q.4 The product of Kushal Traders passes through two processes A and B and then to finished stock. It is ascertained that in each process normally 5% of the total weight is lost and 10% is scrap which from process A and B realizes Rs. 80 per ton and Rs. 200 per ton respectively. The following are the figures relating to both the process. **(16)**

Particulars		Process 'A'	Process 'B'
Materials	Tons	1,000	70
cost of materials per ton	Rs.	125	200
Wages	Rs.	28,000	10,000
Manufacturing Expenses	Rs.	8,000	5, 250
Output	tons	830	780

Prepare Process Cost Account showing cost per ton of each process. There was no stock or work- in-process in any process.

OR

Q.4 Define 'Process Costing'. Explain the concept of Normal loss, Abnormal loss and Abnormal Gain.

Q.5 From the following data calculate the cost per running mile of Arun Transport Raipur. **(16)**

Particulars		**Rs.**
Mileage run (annual)	Miles	6,000
Cost of Vehicle	Rs.	1,50,000
Road License (annual)	Rs.	7,500
Annual Insurance	Rs.	4,000
Annual Garage Rent	Rs.	5,420
Supervision and Salaries (annual)	Rs.	24,000
Driver's Wages per hour	Rs.	30
Cost of fuel per litre	Rs.	20
Miles run per litre	Miles	15
Repairs and Maintenance per mile	Rs.	2
Tyre allocation per mile	Rs.	.60
Estimated Life of vehicles	Miles	75,000

Charge interest @ 15 p.a. on the cost of vehicles. The vehicle run 20 miles per hour on an average.

OR

Q.5 Write short notes on any **FOUR** of the following: **(16)**

a) Features of operating Costing

b) Cost plus Contract

c) Abnormal Loss

d) Distinction between Job Costing and Process costing

e) Escalation Clause

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