

**T.Y.B.COM. SEM – V (2014 COURSE) : WINTER - 2017**  
**SUBJECT : GROUP – A : COST AND MANAGEMENT ACCOUNTING - III**

Day : Wednesday  
Date : 01/11/2017

Time : 03.00 PM TO 05.00 PM  
Max. Marks : 40

**W-2017-0293**

**N. B. :**

- 1) Solve ANY FOUR questions.
- 2) Use of calculator is ALLOWED.

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

- a) Financial and Non-financial Incentives
- b) Causes of Labour Turnover
- c) Meaning and Methods of Time-Keeping
- d) Overtime

**Q. 2** From the following particulars, calculate wages under: **(10)**

- i) Straight Piece Rate System
- ii) Taylor's Differential Piece Rate System

Hours worked in a day : 8 hours  
Standard output per day : 30 units  
Normal piece rate : Rs. 10/- per unit  
Actual output per day of 8 hours  
X : 25 units  
Y : 30 units  
Z : 40 units

**Q. 3** In a company there are three production departments viz. 'X', 'Y', 'Z' and two service departments viz. 'A' and 'B'. The primary distribution summary of March, 2017 gives the following details: **(10)**

Production Departments	₹	Service Departments	₹
X	23,000	A	4,500
Y	6,000	B	2,000
Z	6,500		

The service departments expenses are charged out on a percentage basis as follows:

Particulars	X	Y	Z	A	B
Service Department A	40 %	30 %	20 %	-	10 %
Service Department B	30 %	30 %	20 %	20 %	-

You are required to apportion the cost of Service Departments to Production Departments under Repeated Distribution Method or Simultaneous Equation Method.

**P. T. O.**

- Q. 4** Compute the Machine Hour Rate for the machine from the following (10)  
particulars:

Particulars	₹
Cost of machine	52,500
Machine fixation charges	2,000
Octroi duty on import of machine	3,500
Estimated scrap value at the end of the 10 <sup>th</sup> year	5,500
Estimated working life of the machine per annum	Hrs. 3,000
Estimated life of the machine 10 years	
Rent, rates and taxes for the department	28,500 p.a.
Monthly insurance charges for the machine	75
Electric lighting	8,000 p.a.
Consumable stores	50/- p.m.
Cotton waste, oil etc.	100 per quarter
Supervisor's salaries	8,000 p. a.
Power 13 units per hour @ ₹ 5/- per 100 units	
Repairs and maintenance for the entire life of the machine ₹ 18,000/-	

Machine occupies 1/3<sup>rd</sup> space of the total area of the shop. Out of the total number of light points in the shop 20, only 4 points are used by this machine. The supervisor devotes 1/4<sup>th</sup> of his time on this machine.

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

- Taylor's differential piece rate system
- Features of ideal wage plan
- Under absorption and over absorption of overheads
- Behaviour wise classification of overheads

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