

Day: Thursday
Date: 02/11/2017

W-2017-3987

Time: 11.00 AM TO 02.00 PM
Max. Marks: 80

N.B:

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

SECTION – I

- Q.1** Explain in detail different elements of cost. (16)

OR

Define 'Cost Accounting'. State the objectives and limitations of cost accounting.

- Q.2** (16)

Opening stock of material	30,000/-
Purchase of material	50,000/-
Closing stock of material	10,000/-
Productive wages Rs.	30,000/-
Factory expenses Rs.	10,000/-
Office expenses Rs.	11,000/-
Selling and distribution expenses	16,500/-

Prepare Cost Sheet and also calculate

- a) % of factory expenses to wages.
- b) % of office expenses to factory cost.
- c) % of selling and distribution expenses to factory cost.
- d) The firm has to send a tender. It is estimated that material required cost Rs. 20,000 and wages Rs.9,000. Tender is to be made at 10% profit on cost.

SECTION – II

- Q.3** Explain the various steps in the procedure of purchase of materials. (16)

OR

Explain types of stores organisation.

- Q.4 a)** The following particulars have been extracted in respect of Material DM-106 of Elite Ltd. for the month of March, 2016. Prepare Stores Ledger Account pricing the material issues on the basis of **Last In First Out Method**. (10)

1 st	Opening stock - 100 units @ Rs. 1.75
5 th	Purchases - 150 units @ Rs. 1.50
8 th	Issues - 200 Units
12 th	Purchases - 300 units @ Rs. 1.60
18 th	Issues - 250 Units
22 th	Purchases - 400 units @ Rs. 1.70
29 th	Issues - 400 Units
30 th	Spoilage - 10 Units

- b)** Calculate Economic Order Quantity from the following particulars: (06)
- Annual requirement: 1,600 units
 - Cost of material per unit: Rs. 40
 - Cost placing and receiving one order: Rs. 200
 - Annual carrying cost of inventory: 10% of inventory value.

Q.5 Write short notes on **ANY FOUR** of the following:

(16)

- a) LIFO Method
- b) Simple Average Method
- c) Classification of Material
- d) Perpetual Inventory System
- e) Codification of Material

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