

S.D.E.

T. Y. B. COM. (2008 COURSE) : WINTER - 2017

SUBJECT: COST AND MANAGEMENT ACCOUNTING-II

Day: Monday
Date: 30/10/2017

W-2017-3996

Time: 3.00 P.M. TO 6.00 P.M.
Max Marks: 80

N.B.:

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

SECTION-I

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

- a) Distinction between Time Keeping and Time Booking
- b) Idle Time
- c) Over Time
- d) Under Absorption of Overheads
- e) Features of Sound Wage Plan

Q.2 From the following information, calculate the earnings of A and B on the basis of- (16)

- 1) Straight Piece Rate
- 2) Taylor's Differential Piece Rate System.

Standard Production- 8 Units per Hour

Normal Time Rate- Rs. 40 per Hour

Differentials to be applied-

- 80% of Piece Rate Below Standard
- 120% of Piece Rate at or Above Standards

In a day of 8 hours, actual production was as follows:

A- 50 Units

B- 70 Units

OR

Q.2 Goodluck Company Ltd. has three production departments 'P', 'Q' and 'R' and two service departments 'S' and 'T'. The primary distribution summary of March 2017 gives the following details:

Production Departments-

P- Rs. 8,000
Q- Rs. 7,000
R- Rs. 8,000

Service Departments-

S- Rs. 5,000
T- Rs. 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 Dept. 'S'	20%	40%	30%	--	10%
Service Dept. 'T'	40%	20%	30%	10%	--

You are required to prepare Secondary Distribution under Repeated Distribution Method and Simultaneous Equation Method.

P.T.O.

SECTION -II

- Q.3 Bramha Constructions Pvt. Ltd. undertook a contract for construction of a building. (16)
The following is the information relating to the contract during the year 2016-17.

Particulars	Rs.
Material sent to site	1,00,000
Material purchased and issued	70,698
Material returned to stores	1,098
Material at site on 31/03/2017	3,766
Labour engaged on site	1,40,000
Wages accrued and due but not paid	8,750
Engineer's fees	6,334
Direct expenses payable	580
General overheads	8,252
Overheads outstanding	9,250
Plant installed at site at cost	41,500
Erection charges on site for plant	1,250
Scrap value of plant after its life of 5 years	2,750
Work certified	3,90,000
Cost of works not certified	9,000
Cash received from contractee	3,60,000

Prepare Contract Account.

OR

- Q.3 a) Define the term 'Job Costing'. Explain its features. (08)

- b) Define 'Escalation Clause'. (08)

- Q.4 The product of a manufacturing concern passes through two processes 'X' and 'Y' (16)
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 'X' and 'Y' realizes Rs. 80
per ton and Rs. 200 per ton respectively.

The following are the figures relating to both the processes.

Particulars	Process X	Process Y
Materials (tons)	1,000	70
Cost of material 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 progress in any process.

OR

- Q.4 a) Describe the features of Process Costing. (08)

- b) Explain the meaning and features of Operating Costing. (08)

P.T.O.

Q.5 From the following data relating to the vehicle, of Raheja Transport Co. calculate (16)
the cost per running kilometer.

Particulars	Rs.
Cost of Vehicle	1,00,000
Road Licence Fees (annual)	5,100
Garage Rent (annual)	4,800
Insurance Charges (annual)	2,100
Supervision and Salary (annual)	12,000
Drivers Wages per hour	2.00
Cost of Diesel per litre	4.00
Repairs and Maintenance per km	2.20
Tyres and Batteries per km	1.80
Kilometers run per litre 20 km	
Kilometers run annual 20,000 km	
Estimated Life of the Vehicle 1,00,000 km	

You are required to charge interest on cost of vehicle @ 10% p.a. The vehicle runs 20 km per hour on an average.

OR

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

- a) Work Certified and Work Uncertified
- b) Abnormal Loss
- c) Distinction between Job Costing and Contract Costing
- d) Cost plus Contract
- e) Job Cost Sheet

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