

BACHELOR OF COMMERCE (CBCS-2016 COURSE)
T.Y. B.Com. Sem-V : WINTER :- 2021
SUBJECT: COST & MANAGEMENT ACCOUNTING-III

Day : Monday
Date 24-01-2022

W-14449-2021

Time : 02:00 PM-05:00 PM
Max. Marks: 60

N.B.:

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of non-programmable **CALCULATOR** is allowed.

Q.1 Attempt **ANY THREE** of the following: **[12]**

- a) Explain the meaning of Time Booking. State its various methods.
- b) Write a note on Idle time.
- c) Distinguish between Allocation of Overheads and Apportionment of Overheads.
- d) Explain the concept 'Under and Over Absorption of Overheads.
- e) Write a note on Machine Hour Rate.

Q.2 On the basis of the following information, calculate the earnings of Usual and Unusual on the Straight Piece Rate basis and Taylor's Differential Piece Rate System. **[12]**

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 or above standard.

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

Usual - 25 Units

Unusual - 35 Units

Q.3 In a factory there are three production departments and two service departments. Their primary distribution summary of March 2018 as follows: **[12]**

Production Dept.	₹	Service Dept.	₹
A	7,810	X	4,000
B	12,543	Y	2,600
C	4,547		

The expenses of Service Departments are charged on a percentage basis as follows:

Particulars	A	B	C	X	Y
Service Dept. X	30%	40%	20%	--	10%
Service Dept. Y	10%	20%	50%	20%	--

You are required to prepare Secondary Distribution under Repeated Distribution Method.

P.T.O.

Q.4 Compute the Machine Hour Rate for the machine 'Sunflower' from the following particulars. [12]

i)	Cost of the Machine	₹	52,500
ii)	Machine Fixation Charges	₹	2,000
iii)	Octroi Duty on import of machine	₹	3,500
iv)	Estimated Scarp Value at the end of the 10 th year	₹	5,500
v)	Estimated Working Life of the machine per annum	Hrs.	3,000
vi)	Estimated life of the machine		10 years
vii)	Rent, Rates and Taxes for the department	₹	28,500 p.a.
viii)	Monthly Insurance Charges for the machine	₹	75
ix)	Electric Lighting	₹	8,000 p.a.
x)	Consumable Stores	₹	50 per month
xi)	Cotton Waste, Oil etc.	₹	100 per quarter
xii)	Supervisor's Salaries	₹	8,000 p.a.
xiii)	Power – 13 units per hour @ ₹ 5 per 100 units.		
xiv)	Repairs and Maintenance for the entire life of the machine	₹	18,000.

Sunflower occupies $\frac{1}{3}$ rd 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 $\frac{1}{4}$ th of his time on this machine.

Q.5 Write short notes on **ANY THREE** of the following: [12]

- Overtime
- Distinction between Halsey plan and Rowan plan
- Incentive plans
- Time Keeping
- Elementwise classification of overheads

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