BACHELOR OF COMMERCE (CBCS - 2018 COURSE) T. Y. B. Com. Sem-V :SUMMER- 2022

SUBJECT: COST & MANAGEMENT ACCOUNTING-III

Day: Friday
Date: 8/7/2022

S-18179-2022

Time: 11:00 AM-02:00 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 What is 'Labour Cost'? Explain the difference between Direct Labour Cost [12] and Indirect Labour Cost in detail with suitable examples.

OR

In the year 2019, HR department of Aarya Ltd., furnished following details in management report:

No. of workers left the organization	200
No. of workers discharged due to various reasons	500
New recruitment in the year	2,000

Out of 2,000, 600 workers were hired due to interim vacancies created during the year and remaining as part of company's expansion plan.

You are required to calculate Labour Turnover Rate as per:

- i) Separation Method ii) Replacement Method iii) Flux Method Consider 3,000 as average number of workers in the organization during the year.
- Q.2 Explain features of sound wage plan. Elaborate the factors affecting sound [12] wage plan.

OR

a) Calculate earning of workers A and B as per Halsey Premium Plan from [06] following information:

Standard Time

: 30 hours

Rate per hour

: ₹ 10

Bonus

: 50%

Actual time taken

: Worker A: 20 hours

: Worker B : 24 hours

b) Calculate earnings of worker X and Y as per Rowan Premium Plan from [06] following information

Standard Time

: 20 hours

Standard Rate per hour

: ₹ 15

Actual time taken

: Worker X : 15 hours

: Worker Y : 12 hours

Q.3 Explain the term 'Overheads'. Explain classification of overheads on the basis [12] of functions, elements, nature and control.

a) Prepare secondary distribution statement under repeated distribution method [06] from following information:

Total overheads as per Primary Distribution:

	Production			Service	
Departments	A	В	С	D	E
Total Overheads	10,000	25,000	35,000	5,000	10,000

Percentage distribution for apportionment of overheads of service departments to production departments:

-	Departments	A	В	C	D	E
	Service Dept 'D'	20%	40%	30%		10%
	Service Dept. 'E'	30%	20%	40%	10%	

b) Calculate machine hour rate from following information:

[06]

- i) Total rent of department ₹ 24,000 per year.
- ii) Machine utilities 25% space in department.
- iii) Machine operator salary ₹ 12,000 per year.
- iv) Depreciation (total) ₹ 60,000 for 5 years (5,000 hours).
- v) Lightning (whole department) ₹ 6,000 per year.
- vi) Repairs ₹ 3,000 per year.
- vii) Insurance for machine ₹ 2,000 per year.
- viii) Power consumption 3 units per hour at ₹ 1 per unit.
- Q.4 In Damani Ltd., there are three departments, production department X and Y, service department Z. Actual overhead costs incurred during the year for various heads are as follow:

Lightning	₹ 12,000
Rent	₹ 20,000
Supervision	₹ 60,000
Canteen	₹ 30,000
Insurance on Assets	₹ 10,000
Power	₹15,000

Following information is also available for above departments in Damani Ltd.

Particulars	X	Y	Z
Floor space (sq.ft.)	800	800	400
No. of light points	30	60	30
No. of workers	600	700	200
H.P. of machines	40 HP	60 HP	50 HP
Asset value (₹)	50,000	30,000	20,000

Prepare a statement showing primary distribution of overheads

OR

- a) What do you mean by 'Incentives'? Explain monetary and non-monetary [06] incentives with suitable examples.
- b) Explain the meaning of 'overtime' also elaborate the terms normal and [06] abnormal overtime.
- Q.5 Write short notes on **ANY THREE** of the following:

[12]

- a) Time Keeping
- b) Idle Time
- c) Overhead Absorption
- d) Piece Rate System

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