SYBMS sem III Reg & A.T.K.T. Exam Oct-2019.
16/10/19.

Time : 2 ½ Hours **Total Marks : 75**

N.B **(1)** All Question are compulsory subject to internal choice

(2) Figures to the right indicate full marks.

Q.1 Objective Questions. **(15 Marks)**

A) Multiple Choice Questions (Any 8) **(8 Marks)**

1) The object of uniform costing is ______________

a) To fix a common selling price b) To eliminate unhealthy competition

c) To maintain stability in demands d) All of the above

2) EOQ stands for ______________

(a) Equilibrium Optional Quantity. (b) Economic optimum Quantity.

(c) Economic Order Quantity. (d) Economic option Quantity.

3) Deprecation on delivery Van is ____________ .

(a) Selling cost (b) Distribution cost

(c) Finance Cost (d) None of the above

4) Bin card shows __________________

a) Receipt of stores b) Issue of stores

c) Closing Balance of stores d) All of the above

5) Opening stock of material is Rs. 5,000 purchases Rs. 30,000, closing stock of materials Rs.2,000. Cost of material used is ________________

a) Rs. 33,000 b) Rs. 30,000

c) Rs. 35,000 d) Rs. 40,000

6) Which of the following items not included while preparing a cost sheet ___________

a) Cash Discount b) Advertisement

c) Factory Rent d) Direct Wages

7) Bonus Hours as per Halsey Plan = ______ of Time saved.

a) 1/3 b) 1/4

c) ½ d) 1/5

8) The cost which remains constant irrespective of output upto capacity limit is _______

a) Fixed cost b) Product cost

c) Variable cost d) Sunk cost

9) Job costing is applicable to ____________________

a) Printing Press b) Drug Manufacturing Companies

c) Refineries d) Cement Manufacturing Companies

10) EOQ is decided on the basis of:

a) Carrying cost of inventory b) Ordering cost of Inventory

c) Cost of purchases d) both (a) & (b)

B) Match the following (Any 7) (7 Marks)

	A		B
1	Printing & stationery	A	1/2 of time saved
2	Cash discount allowed	B	Total Cost + Profit
3	sales	C	No Marketable Value
4	Raw Material	D	Oil Manufacturing
5	Wastage	E	Japan by Toyota Motors
6	Process costing	F	Production as per order
7	Job costing	G	wages of carpenter
8	Halsey Plan	H	Prime Cost
9	direct wages	I	Administration Cost
10	Just in Time	J	Finance Expenses

Q.2 (A) A modem Ltd., has three production and two service departments. The expenses for September 2015 are as follows: **(15)**

Factory Rent	Rs. 10,000
Lighting	Rs. 7,100
Depreciation on Plant	Rs. 6,000
Supervision	Rs. 3,200
Power	Rs. 18,000

The other information are as follows :

Particular	Production Departments			Service Department	
	I	II	III	P	Q
Indirect Materials (Rs.)	800	2,000	900	400	200
Indirect Wages (Rs.)	1,500	1,600	1,300	900	1,000
Area (Sq. ft.)	800	1,000	900	700	600
No. of Light-points	15	35	8	7	6
No. of workers	5	15	6	4	2
Value of plant (Rs.)	30,000	15,000	5,000	4,000	6,000
H.P. of Machines	4	3	3	-	2

You are required to prepare a statement of primary distribution of overheads.

Q.2 (B) Calculate : a) Re-Order Level b) Maximum Level c) Minimum Level d) Avg. Stock Level

Material A is used as follows : **(05)**

Minimum usage 150 units per week

Maximum usage 450 units per week

Normal usage 300 units per week

Re-Ordering quantity 2,400 units

Delivery period 4 to 6 weeks.

OR

Q.2 (C) Balaji Enterprises provides you the following information for the month of Feburary Process I, II and III: **(15)**

Particulars	**Process I**	**Process II**	**Process III**
Basic Raw Materials introduced (Units)	30,000	5,050	3,780
Cost of Raw Materials per unit (₹)	15	18	22
Direct Expenses (₹)	1,50,000	1,70,000	1,90,000
Direct Wages (₹)	1,20,000	1,00,000	1,00,000
Indirect Materials (₹)	8,100	9,205	6,560
Factory Overheads (₹)	1,13,100	1,19,345	87,740
Normal Loss	4%	6%	8%
(as % of total No. of units Input)			
Scrap Value per unit (₹)	5	7	10
Actual Output (Units)	28,500	23,700	16,500
Output transferred to Next process (%)	70%	60%	
Output sold at the end of process (%)	30%	40%	100%
Selling Price per unit of the output sold at the end			
of the process (₹)	32	44	70

Output is transferred to next process at cost. You are required to prepare Process account.

Q.3 (A) From the following particulars. Prepare stock record by FIFO and Weighted Average Method. **(15)**

Date	**Transaction**	**Units**	**Rate**
05-1-2019	Purchase	80	30
18-1-2019	Purchase	120	28
21-1-2019	Sale	100	35
23-1-2019	Purchase	160	29
26-1-2019	Sale	160	33
29-1-2019	Sale	40	34
30-1-2019	Purchase	200	26
31-1-2019	Sale	180	35

The stock on hand on 1st January, 2014 was 100 units @ 25 each

OR

Q.3 (B) Prassanna Ltd. Furnishes the following information :

a. Consumption = 300 units per quarter

b. Cost per unit Rs. 40

c. Cost of processing an order Rs. 600 **(07)**

d. Obsolescence 15% p.a.

e. Insurance of inventory 25% p.a.

Compute :

- Economic order quantity
- Number of orders per year
- Calculate the Total Cost of Material.

Q.3 (C) Calculate the total earning & effective rate of earning per hour of 2 operators Murali & Dharma under

(a) Halsey Plan (b) Rowan Plan

The standard time fixed for producing 100 articles is 50 hours **(08)**

The rate of wages is Rs. 1.50 per hour

The actual time taken for producing 100 articles is as under:

Murali 42 Hours

Dharma 38 Hours

Q.4 (A) Following details are furnished by NY Ltd. of Expenses incurred during the year ended 31st March, 2012. **(15)**

Particulars	
Salesman Salary	6,47,500
Opening Stock of Finished Goods (2000 Units)	7,60,000
Directors Fees	9,73,700
Indirect Wages	9,76,300
Repairs to Office Furniture	11,94,700
Works Managers Salary	4,01,700
Showroom Expenses	10,68,750
Depreciation on Computer	12,12,900
Indirect Materials	7,31,900
Depreciation on Plant and Machinery	4,77,100
Advertisements	15,33,750
Office Salary	7,91,700
Direct Wages	10,01,000
Direct Materials	18,82,400
Direct Expenses	4,96,600
Closing Stock of Finished Goods (3000 Units)	?

Other Information

1. Closing Stock of finished goods to be valued at cost of production.
2. Profit desired on sales is 20%.
3. Number of units sold during the year was 25,000.

Prepare Cost Sheet showing the various elements of cost both in total and per unit and also find out the total profit and per unit profit for the year ended 31st March, 2012.

OR

Q.4 (B) A company Trading and Profit and Loss Accounts is as follows: **(15)**

To Purchases	37,815		By Sales (75000 units @	
Less: Closing Stock	6,120	31695	Rs 1.50 each)	1,12,500
To Wages (Direct)		15,750	By Profit on Sale of	
To Works Expenses		18,195	Machinery.	3,900
To Selling Expenses.		10,650		
To Administration Expenses		8,010		
To Depreciation		1,650		
To Net Profit		30,450		
		1,16,400		**1,16,400**

The profit as per Cost Accounts was ₹29,655. Prepare Reconciliation Statement to reconcile Cost Profit with Financial Profit.

Further information as per Cost Accounts :

a. Closing stock was taken as ₹6,420.

b. The works Expenses were taken at 100% of Direct Wages

c. Selling and Administration Expenses were charged at 10% of sales and at ₹0.10 per unit respectively.

d. Depreciation was taken at ₹ 1,200.

Q.5 Write a short notes on (Any Three) **15 Marks**

1. Target Costing
2. Normal Losses
3. Strategy Based Control
4. Stock Levels
5. Process Costing

Q.5 **(a)** State & Explain Various Stock Levels ? **(08)**

(b) Explain in Detail Advantage & Disadvantages of Uniform Costing. **(07)**