

Goa Vidyaprasarak Mandal's
Gopal Govind Poy Raiturcar College of Commerce and Economics
Ponda-Goa

B.Com. (Semester-II) Examination, April 2017
COST ACCOUNTING (FOUNDATION COURSE)

TME: 2 Hours

Marks: 80

Instructions:

1. Question no 1 is compulsory.
2. Answer any three questions from Q. 2 to Q. 6.
3. Figures to the right indicate full marks.

Q 1) Following is the information related to Mohan Engineering Company for the month of March 2017.

Materials consumed	`	90000
Wages Paid	`	75000
Factory o/h	`	60000
Office o/h	`	30000
Sales o/h	`	20000
Distribution o/h	`	10000
Profit Margin		25%

Prepare a quotation for a new order, when the company expects that materials will cost ` 20000 and wages will be ` 15000 assuming that factory o/h is based on direct wages and all other o/h are based on factory cost. Profit margin will remain same. (20)

Q 2) From the following data find out the earnings of a worker under

Direct piece rate, Differential piece rate, Halsey and Rowan plan

Number of working hours per week 36. Hourly wage rate ` 40

Piece rate per unit ` 45, Normal time taken per piece 20 minute.

Normal output per week 100 pieces. Actual output per week 120 pieces (20)

Q 3) The following data is available from Naik Engineering Company for the month of March 2017. Prepare Primary Distribution Summary Chart.

Particulars	Production Depts.			Service Depts.	
	P1	P2	P3	S1	S2
Direct wages (`)	70000	60000	50000	10000	10000
Direct materials (`)	30000	25000	20000	--	---
Workers	20	15	15	10	5
Power (KWH)	80	60	40	--	---
Light points	50	40	30	20	15
Value of P&M (`)	500000	300000	200000	100000	100000
Area (Sq Mts)	160	140	120	100	80

Additional information:

Stores Overheads ` 4000, Motive power ` 6000, Light bill ` 2000, Deprecation of Machines ` 9000, Canteen expenses ` 10000, General o/h ` 2000, Building rent ` 15000, Municipal Taxes ` 3000, PF Contribution ` 9000 and labour welfare ` 6000/- . (20)

contd...2/-

Q 4A) Following is the information of worker Mr. Mahesh Patil for the month of March 2017. Find out his home take salary. (10)

Basic Salary ` 30000, DA 40% of basic salary, HRA ` 6000, OT ` 3000. His payments are as follows:

PF Contribution ` 5000, LIC Premium ` 2000, Income Tax ` 3000, Car loan EMI ` 5000, Housing loan EMI ` 8000 and other Deductions ` 2000.

B) In a factory std output for the week is 200 articles. The actual output of worker A-180, B-150 and C-210. They are paid ` 50 per article. Find out their earnings under Merrick's Plan, where the payment is as follows.

Efficiency below 83%	---	Normal piece rate	
Efficiency between 83-100%.		110% of piece rate	
Efficiency above 100%		120% of piece rate.	(10)

Q 5 A) Following is the data related to Machine - X. Find out MHR.

Cost of the Machine	` 120000	
Estimated life	5 years	
Scrap value	` 20000	
Yearly working hours	2200	
Monthly maintenance	` 2000	
Electricity consumption	50 units per hour	
Cost of electricity	` 2.50 per unit	
Weekly chemical required	` 200	
Weekly attender payment	` 500	
Monthly o/h of machine	` 750	(12)

B) Write the effects of LTOR and measure to minimize the same. (08)

Q6) Write short notes on **any four** : (20)

- Piece rate method of wage payment
- Emerson's efficiency wage plan
- Abnormal Idle Time
- Bases of apportionment
- List of non-cost item

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