

**Goa Vidyaprasarak Mandal's**  
**Gopal Govind Poy Raiturcar College of Commerce and Economics**  
**Ponda – Goa**  
**B.Com. (Semester – II) Supplementary Examination, May/June 2017**  
**COST ACCOUNTING (FOUNDATION COURSE)**

Time: 2 Hours

Marks: 80

Instructions:

1. Question No 1 is Compulsory
2. Answer any 3 questions from 2 - 6
3. All questions carry equal marks

Q 1) Following is the data related to TATA COMPANY for the month of April 2017

Direct materials consumed	` 120000
Direct wages paid	` 100000
Direct expenses	` 80000
Factory expenses	` 70000
Office expenses	` 30000
Sales expenses	` 15000
Distribution expenses	` 10000
Profit margin	20%
Number of units sold	1000

Prepare a quotation for 1500 units and find out new selling price per unit. (20)

Q 2A) In a factory standard time to produce one article is 20 minutes. Wage rate is ` 100 per hour. The actual output of Mr. Ramesh 156 and Mahesh 162 articles in a week. Find out their total wages under Halsey and Rowan Plan. (10)

B) Asha Engineering Company has 3 production depts. P1, P2 and P3 as well as 2 service depts. S1 and S2. The department wise expenses were incurred like ` 120000 – 100000 – 90000 - 35000 and 27000.

Apportionate the expenses of S1 in the ratio of 3:4:2:1 and of S2 in the ratio of 2:2:2:2 to all the depts. under Repeated Distr Method. (10)

Q3) The following is the information related to Goa Engineering Co for the year ended March 2017.

Particulars	P1	P2	P3	S1	S2
Direct materials	` 350000	300000	250000	----	-----
Direct wages	` 150000	125000	100000	75000	50000
Workers	40	30	20	10	5
Light points	100	80	60	20	10
Power (KWH)	60	40	20	--	--
Cost of P&M	` 500000	700000	600000	200000	100000
Area in sq. mts	200	250	300	100	50

The expenses for the year were: Stores overhead ` 9000, PF ` 10000, Light bill ` 3000, Power ` 12000, Dep of machines ` 10000, Rent ` 18000 and Canteen ` 15000. Apportionate expenses of S1 to all the Depts. in the ratio of 3:4:2:1 and of S2 in the ratio of 3:4:3 to the Production

Q4) Following is the data related to Machine-X. Find out MHR (20)

Cost of the machine	₹ 270000	Installation charges	₹ 30000
Life of the machine	5 years.	Scrap value of the machine	₹ 50000
Quarterly insurance	₹ 3000		
Workshop rent PM	₹ 5000		
Operator salary PM	₹ 15000		
Helper salary PM	₹ 10000		
Weekly chemicals	₹ 750		
Half yearly service	₹ 7500		
Lubricants PM	₹ 1000		
Sundry expenses PM	₹ 500		
Machine consumes 50 units of power per hour			
Power cost ₹ 5 per unit			
Annual working hours of the machine 2500			

Q5) In a factory standard output for the day is 100 articles. The rate per article is ₹ 30. The actual output of Mr. A-65, B-75, C-85, D-95, E-100 and F-110 articles during the day. Find out their wages under Emerson's efficiency plan where the payment is as follows: Efficiency up to 70% normal piece rate, between 70-80% normal+5%, between 81-90% normal+10%, between 91-100% normal+15% bonus. Efficiency above 100%, bonus will rise by 1% with every increase in efficiency by 1% . (20)

Q6) Write short notes on any FOUR. (20)

- 1 Normal idle time
- 2 Effects of LTOR
- 3 A list of items and base
- 4 Piece rate method of wage payment
- 5 Merrick's Plan

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