

- N.B.** 1) **All Questions carry 10 marks.**  
 2) **Solve any 6 Questions out of 8 questions.**  
 3) **Maximum marks 60 marks**  
 4) **Maximum Time 2 Hours.**

- Q.1)** i) Explain cost centre, cost unit . Give Examples. **(2 marks each)**  
 ii) Explain Marginal cost.  
 iii) Explain Uniform costing.  
 iv) Give 4 steps in planning process.  
 v) Explain Normal loss concept in process Costing.

- Q.2) i) Mrs. Ayesha Takia furnishes the following data relating to the manufacture of 'ZED' product during the month of September 2006.** **6**

a) Raw materials consumed	Rs. 1,50,000
b) Direct Labour Cost	Rs. 90,000
c) Machine hours worked	9000 machine hours.
d) Machine hour rate	Rs. 5 per machine hour
e) Administrative overheads	20 % on works cost
f) Selling overheads	Rs 2.50 per unit.
g) Units produced	50,000.
h) Units sold	45,000.
i) Selling price	Rs 25 per unit.

You are required to prepare a job cost sheet from above information to find out.

- j) Cost per unit  
 k) Profit per unit sold  
 l) Total profit for September 2006.

- Q.2) ii) The annual demand for a product is 3200 units. The unit cost is Rs. 10 and inventory carrying cost per annum is 10% of the unit cost. If the cost of buying per order is Rs. 100 /- ; Determine** **4**
- a) Economic order Quantity  
 b) No. of orders per annum  
 c) Time between 2 orders.

- Q.3) A raw material has to be processed through 3 different processes before being converted to Finished product ready for sale.** **10**

From the following information find out cost of production per unit of that product, if 400 units of that product were produced in the month of August 2006.

Expenses of 400 units of product are:-

	Manufacturing Process Rs.	Refining Process Rs.	Finishing Process . Rs
Material	4,000	2,000	1,500
Labour	3,000	5,000	2,000
Direct Expenses	800.	400	600

The indirect expenses for the period amount to Rs. 12,000 in the factory out of which Rs. 4,000 is attributable to this product. There was no stock at the end in any process. The indirect expenses should be apportioned to each process on the basis of labour costs.

You are required to prepare :-

- i) Manufacturing process A/C.  
 ii) Refining process A/C  
 iii) Finishing process A/C  
 iv) Find out cost per unit of product from Finishing process A/C
- Q.4)** i) Give and Explain definition of Management Accounting in detail. 4  
 ii) Distinguish between Cost Accounting and Management Accounting 3  
 iii) Give 6 objectives of Costing 3
- Q.5)** i) What is Job Costing ? Explain & Give Examples. (2 marks each)  
 ii) What is Batch Costing ? Explain & Give Examples.  
 iii) What is Break -Even -Point ? Explain & give formulae for BEP (units) & BEP (sales in Rs.)  
 iv) What is standard cost ?  
 v) What is a Master Budget ?
- Q.6)** i) What are objectives of Budgetary control system ? 3  
 ii) What is a flexible budget ? How is it prepared? 2  
 iii) What are the five stages in capital budgeting process? Explain each stage. 5
- Q.7)** You are given the following data for the period 1<sup>st</sup> April 2005 to 31<sup>st</sup> March 2006 for Success India Ltd. 10

Particulars	Rs
i) Sales	20,00,000
ii) Variable cost	12,00,000
iii) Fixed cost	6,00,000
iv) Profit	2,00,000

You are required to find out the following

- a) P/V Ratio  
 b) B.E.P. ( sales in Rs.)  
 c) Profit when sales amounted to Rs . 24,00,000  
 d) Sales required to earn a profit of Rs. 4,00,000

**Q.8) Following cost data is given in respect of product 'Alpha'.**

Raw material	Standard data			Actual data.		
	Quantity Kg's	Rate Per kg in Rs.	Amount in Rs.	Quantity in Kg.	Rate Per kg in Rs.	Amount in Rs.
A	200	50	10,000	240	40	9,600
B	100	60	6,000	120	50	6,000
	<u>300</u>		<u>16,000</u>	<u>360</u>		<u>15,600</u>

You are required to calculate for product 'Alpha'

- i) Material Cost variance  
 ii) Material Price Variance  
 iii) Material Usage variance.

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