



**Q. 3. Write Short notes on (Any Three) (15)**

1. Criteria to select a tender
2. Reasons of Labour Turnover
3. Difference between Financial Accounting & Cost Accounting
4. Fixed Cost v/s Variable Cost
5. Importance of Material Control

**Q. 4. Answer in detail (Any Two) (20)**

1. On 1<sup>st</sup> March 2023 the stock of a component in the stores was 500 units @ Rs. 30 per unit. During three months the receipts and issues were as follows:

Receipts:

1 March : 400 units @ Rs. 40 per unit

5 April : 500 units @ Rs. 50 per unit

9 May : 600 units @ Rs. 60 per unit

Issues

2 March : 300 units

7 April : 400 units

10 May : 500 units

Prepare a stores ledger under FIFO method.

2. From the following information calculate

a) Reorder Quantity (EOQ)

b) Re-order Level

c) Maximum Stock Level

d) Maximum Stock Level

e) Average Stock Level

Total cost of purchasing relating to the order Rs. 100

Number of units to be produced during the year : 25,000 units

Purchase price including transport cost : Rs. 250 Per unit

Annual Carrying cost per unit : Rs. 25

Lead Time in days :

Average 50    Maximum 75    Minimum 25

Rate of consumption per day in units :

Average 75    Maximum 100    Minimum 50

3. In ChetanaCo. the standard time allowed to produce an article is fixed at 15 hours and the wage rate is Rs. 600 per hour. Amit has completed 30 articles in 400 hours calculate total wages under

i) Halsey Premium Plan

ii) Rowan Premium Plan

**Q. 5. Arnav Ltd. is a manufacturer of Steel Furniture at Pune. The cost accountant provided the following information for the year ending 31<sup>st</sup> March, 2023. It is the practice of a company to apply 30% profit on cost to calculate sales price. (15)**

<b>Particulars</b>	<b>Amount Rs.</b>	<b>Particulars</b>	<b>Amount Rs.</b>
Opening Direct Materials	2,00,000	Carriage Outward	5,000
Bad Debts	8,000	Factory Exp.	6,000
Consumable Stores	4,000	Lighting: Factory	12,000
Depreciation of Machinery	8,000	Lighting: Office	1,600
Depreciation on Office furniture	4,000	Managers Salary	18,000
Direct Expenses	42,000	Office Printing And Stationary	2,000
Direct Wages	160,000	Purchases of Raw Material	120,000
Directors Fees	6,000	Rent: Factory	20,000
Electric Power	14,000	Rent: Office	12,000
Indirect Wages	20,000	Salesman's salary	30,000
Lubricant	1,200	Selling Expenses	16,000
Oil And Waste	2,000	Telephone Charges	3,200
Postage And Telegraph	2,000	Travelling Expenses	4,000

You are require to calculate

- a. Prime Cost
- b. Works Cost
- c. Cost of Production
- d. Total Cost
- e. Profit

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