

(6 pages)

NOVEMBER 2024

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Time : Three hours Maximum : 75 marks

PART A — (10 × 2 = 20 marks)

Answer any TEN questions

1. Define Management accounting.
2. What are called direct expenses?
3. What do you mean by stores ledger?
4. Give the meaning work in progress.
5. What do you understand by differential Piece rate system?
6. What do you mean by time saved?
7. Trace the meaning of Solvency.
8. Bring out the meaning of labour turnover.
9. What do you know by financial statements?
10. What is meant by trend analysis?
11. What do you mean by ordering cost?
12. Define – Ratio.

PART B — (5 × 5 = 25 marks)

Answer any FIVE questions

13. Explain the advantages of cost accounting.
14. Draw the format of Cost sheet.
15. Annual usage = 80,000 units, ordering cost = 100 per order, Inventory carrying cost 5% and cost per unit is Rs. 20 find out EOQ.
16. From the following particulars calculate the wages of 3 workers Amar, Akbar and Anthony under Merrick's Differential Piece Rate. Piece Rate is Rs. 40 per unit, standard output 30 units per day of 8 hours.
Outputs: Amar – 24 units, Akbar – 27 units and Anthony – 36 units.
17. Calculate the trend percentages from the following figures of Samir Auto Ltd. Taking 2010 as the base and interpret them:

Year	Sales (Rs. in Thousand)	Profit After tax (Rs. in Thousand)
2010	1,000	150
2011	1,200	185
2012	1,500	210
2013	2,000	220
2014	2,900	240

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18. The following is the Balance Sheet of Samir Auto Ltd., for the year ending 31st March, 2016 prepare common size balance sheet analysis.

Liabilities	Amount in Rs.	Assets	Amount in Rs.
10% preference Share capital	5,00,000	Goodwill	1,00,000
Equity Share Capital	10,00,000	Land and Building	6,50,000
9% Debentures	2,00,000	Plant	8,00,000
Long-term Loan	1,00,000	Furniture and Fixtures	1,50,000
Bills Payable	60,000	Bills Receivables	70,000
Sundry Creditors	70,000	Sundry Debtors	90,000
Bank Overdraft	30,000	Bank Balance	45,000
Outstanding Expenses	5,000	Short-term Investments	25,000
		Prepaid Expenses	5,000
		Stock	30,000
	19,65,000		19,65,000

19. Explain the advantages of Ratio analysis.

PART C — (3 × 10 = 30 marks)
Answer any THREE questions

20. Enumerate the advantages and limitations of Cost accounting.
21. Calculate the earnings of workers A and B under Straight Piece-rate System and Taylor's Differential Piece-rate System from the following particulars:
Normal rate per hour = Rs 1.80
Standard time per unit = 20 seconds
Differentials to be applied: 80% of piece rate below standard
120% of piece rate at or above standard.
Worker A produces 1,300 units per day and worker B produces 1,500 units per day.
22. Explain various types of wage payments and Incentive systems.
23. From the following particulars prepare stores ledger account under FIFO method.

March 2 nd	Purchases 100 units @ Rs. 100
4 th	Issued 75 units
6 th	Purchases 100 units @ Rs. 120
10 th	Issued 100 units

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16 th	Purchases 100 units @ Rs. 105
18 th	Issued 110 units
24 th	Purchases 150 units @ Rs. 115
25 th	Issued 80 units
28 th	Issued 20 units

24. Following are the balance sheets of Alpha Ltd. as on March 31st, 2016, and 2017: Prepare comparative balance sheet

Particulars	2016	2017
I. Equity and Liabilities		
Equity share capital	2,00,000	4,00,000
Reserves and surplus	1,00,000	1,50,000
Long-term borrowings	2,00,000	3,00,000
Short-term borrowings	50,000	70,000
Trade payables	30,000	60,000
Short-term provisions	20,000	10,000
Other current liabilities	20,000	30,000
Total	6,20,000	10,20,000

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Particulars	2016	2017
II. Assets		
Fixed assets	2,00,000	5,00,000
Non-current investments	1,00,000	1,25,000
Current investments	60,000	80,000
Inventories	1,35,000	1,55,000
Trade receivables	60,000	90,000
Short term loans and advances	40,000	60,000
Cash at bank	25,000	10,000
Total	6,20,000	10,20,000

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