

2. All questions carry equal marks.

F.Y. BAF Costing 14/10/19

Q.1. (a) Identify the type of cost based on Functional Classification

8 marks

(Solve any 8 and write both parts in the answer)

1. Works Manager's Salary
2. Exhibitions and fairs
3. Fuel and oil
4. Cost of mailing literature
5. Repairs and maintenance
6. Printing and Stationery
7. Primary packing
8. Director's fees
9. Discount allowed
10. Counting House Salaries

(b) Match the following

7 marks

(Solve any 7 and write both parts in the answer)

Direct material	Floor area occupied
Indirect material	Weight of goods handled
Noncash cost	Tomato in ketchup
Cost Centre	Number of employees
Cost Unit	Value of machinery
Air Conditioning	Litre
Supervision	Depreciation
Insurance of machinery	Lathe machines
Internal Transport	Selling overheads
Delivery van expenses	Fevicol

Q2

15 marks

From the information of Pari Ltd. prepare the stock ledger for the month of July 2019 by adopting the Weighted Average method. The stock of material in hand was 400 units on 1st July. Show the calculations of Weighted Average in detail at every stage.

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Date	Transaction	Units	Rate per unit
2-07-2019	Purchase	100	55
3-07-2019	Issue	400	
5-07-2019	Purchase	600	60
7-07-2019	Issue	500	
9-07-2019	Purchase	500	65
15-07-2019	Issue	600	
18-07-2019	Purchase	800	70
20-07-2019	Issue	500	
25-07-2019	Issue	200	
27-07-2019	Purchase	500	75
28-07-2019	Issue	400	
29-07-2019	Purchase	300	80

OR

Q.2 (a)

10 marks

In a company, weekly minimum and maximum consumption of material N are 40 and 80 Kg respectively. The reorder quantity as fixed by the company is 400 units. The material is received within 5 to 7 weeks from the issue of supply order. You are required to calculate the following:

1. Reorder Level
2. Minimum Level
3. Maximum Level
4. Average Stock Level

(b)

5 marks

Manish Ltd. provides the following information:

Quarterly Consumption: 2250 units

Cost per unit Rs. 18

Cost of placing one order is Rs. 100

Annual Carrying cost of inventory: 10%

You are required to calculate the Economic Order Quantity and number of orders to be placed in a year.