

Answer all Questions

Q.1 a) From the following information, prepare stores ledger account under weighted average method for the month for March 2003.

1 March 2003 opening stock 200 pieces @ Rs. 2 each

Purchases

March 5 100 pieces at Rs. 2.20 each
 10 150 pieces at Rs. 2.40 each
 20 180 pieces at Rs. 2.60 each.

Issues

March 6 150 pieces
 11 100 pieces
 21 200 pieces

On 13th March, 2003 the stock verifier reported that there was shortage of 10 pieces.

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b) Calculate the EOQ from the following information and also state the number of orders to be placed in a year. Consumption of material p.a. 10,000 kgs. Order placing cost per order Rs. 50. Storage cost 8% on average inventory. Cost per kg of raw materials Rs. 2.

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Q.2 Dyonara Ltd. has 3 production departments mixing, making and packing and 2 service departments stores and canteen. The following expenses were incurred in January 2002.

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Items	(Rs.)
Rent	10,000
Lighting & electricity	1200
Indirect wages	3000
Power	3000
Depreciation of Machines	20,000
Other expenses	20,000

The following further details are given :-

Particulars	mixing	making	packing	stores	canteen	Total
Floor space (sq mts)	2000	2500	3000	2000	500	10,000
Light points (Nos.)	20	30	40	20	10	120
Direct wages (Rs.)	6000	4000	6000	3000	1000	20,000
Horse power of machines	120	60	100	20	-----	300
Cost of machinery (Rs. in thousand)	24	32	40	2	2	100

Q.3 From the following particulars, you are required to work out the earnings of a worker for a week under :-

- i) Straight piece rate
- ii) Differential piece rate (Taylor scheme)
- iii) Halsey premium bonus.
- iv) Rowan premium scheme.

Weekly working hours.	48
Hourly wage rate	Rs 7.50
Piece rate per unit	Rs. 3.00
Normal time taken per piece	24 minutes
Normal output per week	120 pieces
Actual output per week	150 pieces

Differential piece rate 80% of piece rate

When output is below normal and 120% of piece rate when output is above normal.

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OR

Q.3 What do you understand by labour turnover ? What are its causes ? **15**

Q.4 Explain in detail any 3 techniques of material control. **15**

OR

Q.4 What are overheads ? Explain function wise classification of overheads with examples of each. **15**
