

Alexy Sandy
201177

Costing and its Application to Textiles (TTL-365)

Minor-I

Discipline: B.Tech (IT)

Date: 7-Feb-2014

Max Marks: 15

Time: 1hr

1. Illustrate the concept of reorder point to maintain the inventory with suitable example. (3)
2. If given base layer of prices of a company in Dec 31, 2012 is Rs. 3,50,000 and inventory (current prices) on Dec 31, 2013 is Rs.6,00,000. The prices increased during 2013 are 19%. Determine Rs. value LIFO at Dec 31, 2013. (5)
3. Prepare a cost of production report of process considering average cost method with production records as given below: (5)

Units in process opening 5,000

Stage of completion (%)

Material	(100%)
Labour	(70%)
Overhead	(60%)

New units introduced

Units completed

Units in process closing

40,000
39,000
6,000

Stage of completion (%)

Material	(100%)
Labour	(40%)
Overheads	(30%)

Cost of units in process (opening) in Rs.

M	10,000
L	5000
OH	5000

Processing cost during the period;

M	1,45,000
L	65,000
OH	40,000

4. Explain with suitable examples different behavioral, functional and decision making costs. (2)

M	2	0.17
L	0	0.3
OH	0	0.4