

- Q.3 SK Engineering Ltd. has three production departments A, B and C and two service departments X and Y. The following figures are extracted from the record of the company. (15)

	Rs.
Rent & Rates	5000
General Ligutings	600
Indirect Wages	1500
Power	1500
Depreciation of Machinery	10000
Sundries	10000

The following further details are available:

Particulars	A	B	C	X	Y
Floor Space (Sq. ft.)	2000	2500	3000	2000	500
Light paints	10	15	20	10	5
Direct wages (Rs.)	3000	2000	3000	1500	500
H.P. of Machines	60	30	50	10	--
Value of Machines (Rs.)	60000	80000	100000	5000	5000
Working Hours	6226	4028	4066	--	--

The expenses of X and Y are allotted as follows:

Departments	A	B	C	X	Y
X	20%	30%	40%	--	10%
Y	40%	20%	30%	10%	--

What is total cost of an article if its raw material cost is Rs. 50, Labour cost Rs. 30 and it passes through departments A, B and C for 2, 4 and 3 hours respectively.

OR

- Q.3 The following expenses have been received in respect of factory having 4 machine of the same type. (15)

Particulars	Exp. per Annum Rs.
Rent and Taxes	12000
Lighting of Factory	820
Repairs expenses	1180
Supervision expense	1260
Attendance Salary (2 attendance looking after 4 machine paid Rs. 600 per month each)	
Power expense (10 paisa per Unit) Each machine consume 10 Unit of Power per Unit	4800
Depreciation per machine	600
Hire purchase installment for the machines (including Rs. 400 interest)	1600
Sundry expenses for the factory	420

Calculate the machine hour rate.