

Particulars	P	Q	R
Materials Rs.	2,000	2,500	1,700
Direct wages Rs.	7,500	5,700	3,700
Overheads Rs.	3,000	3,725	6,612
Normal wastage (of unit introduced)	10%	5%	2%
Yield value of normal wastage Rs.	1.00	2.00	3.00
Actual production (units)	4,500	4,200	4,150

Prepare process A/c. and abnormal wastage or gain A/cs.

OR

Que.3: A product of Rut ltd. Passes through three process A, B and C. The wastage of process A and B are to be sold @ Rs. 10 of 100 units. And the wastage of process C is to be sold @ Rs. 80 of 100 units. Other information is as under. (15)

Particulars	A	B	C
Materials Rs.	12,000	8,000	4,000
Direct wages Rs.	16,000	12,000	6,000
Direct expenses Rs.	2,440	1,403.75	8,924
Factory expenses Rs.	3,500	3,800	4,200
Production (units)	19,500	18,800	16,000
Normal wastage	2%	5%	10%

20,000 units introduced @ Rs. 1 each in process A. Prepare process A/cs. and other necessary A/cs.

Que.4: Give the meaning of marginal cost and discuss its benefits and limitations. (15)

OR

(A) Explain the benefits of uniform costing. (08)

(B) Discuss the characteristics of marginal costing. (07)