

The total production overheads are analyzed as under:

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|------------------------------------|-----|
| Machine set-up costs | 20% |
| Machine operation costs | 30% |
| Inspection Costs | 40% |
| Material Procurement related costs | 10% |

Required:

- Calculate the cost per unit of each product using traditional method of absorbing all production overheads on the basis of machine hours.
- Calculate the cost per unit of each product using ABC principles.

OR

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| Q-3 | Write note on : Target Costing Kizen Costing | (09) (09) |
| Q-4 | What is Cost Audit? Discuss Types, Advantages and Disadvantages of Cost Audit. | (17) |
| OR | | |
| Q-4 | Discuss Qualification, Disqualification, rights and duties of Cost Auditor as per latest provision. | (17) |