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**SUBJECT CODE NO: - X-3047**  
**FACULTY OF COMMERCE & MANAGEMENT**  
**B.Com S.Y (Sem-III)**  
**Examination March / April - 2023**  
**Cost Account-I - IV**

[Time: 3:00 Hours]

[Max. Marks: 80]

Please check whether you have got the right question paper.

N. B

- 1) Q1 is compulsory.
- 2) Attempt any four questions from Q.2 to .7
- 3) Use of calculator is allowed

Q1 A) Select the most appropriate answer.

05

- 1) costing is a technique of
  - a) Inventory control
  - b) Management Control
  - c) Ascertainment of cost
  - d) Reduction of cost
- 2) cost Unit in a college may be
  - a) Teacher
  - b) Non teacher staff
  - c) student
  - d) None of these
- 3) The total of all direct expenses is Known as
  - a) Total cost
  - b) overhead
  - c) prime cost
  - d) Work Cost.
- 4) cost of labour turnover may be treated as:
  - a) Direct wages
  - b) prime cost
  - c) overhead
  - d) None of the above
- 5) Wage, Rent and Materials are examples of:
  - a) Implicit cost
  - b) Explicit cost
  - c) Direct Cast
  - d) Manufacturing cost

B) Answer the following question in one Sentence each.

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- 1) continuous costing is also called
- 2) An opportunity cost is a.
- 3) Work cost is the total of.
- 4) value added is the change in.
- 5) sales commissions are classified as.

C) Fill in the blanks and rewrite the sentences.

05

- 1) \_\_\_\_\_ is an extension of job costing
- 2) \_\_\_\_\_ costing is used in transport undertaking.
- 3) Material Control aims at achieving effective \_\_\_\_\_ Management.
- 4) \_\_\_\_\_ is the time worked over and above the employee's basic working week.
- 5) The Two aspects of material. Control are accounting aspect and \_\_\_\_\_ aspect.

D) State the following statements are whether True or False.

05

- 1) A cost may be relevant for one decision making situation but irrelevant for another situation.
- 2) An existing asset should not be replaced until its original cost has been fully recovered.
- 3) Eliminating non-productive time is Particularly important in a bottleneck operation.
- 4) sunk costs are costs that have proven to be unproductive.
- 5) In a special-order situation, any fixed cost associated with the order would be irrelevant.

Q2 The following particulars have been extracted from the books of Arjit Manufacturing co. Ltd. Pune for the year ended 31<sup>st</sup> March-2018 15

	RS		RS
Stock of materials as on 1 <sup>st</sup> April, 2017	47,000	Rent, rates, taxes Insurance (office)	1600
stock of materials as on 31 March-2018	50,000	Travelling expenses	3100
Material purchased	208,000	Traveller's salaries & Commission	8,400
Drawing office salaries	9600	Production wages	140,000
counting house salaries	14000	Depreciation Machinery, Plant & tools	7100
Carriage inwards	8,200	Depreciation written off on Furniture	600
carriage outwards	5,100	Director's fees	6,000

cash discounts allowed	3,400	Gas & Water charges (Factory)	1500
Bad debts written of	4,700	Gas & Water charges (office)	300
Repairs of plant, machinery and tools	10,600	General charges	5,000
Rent, rates, taxes and Insurance (Factory)	3,000	Managers salary	12,000

out of 48 working hours in a week the time devoted by the manager to the factory and to the office was on an average 40 hours and 8 hours respectively throughout the accounting Year.

Prepare a statement giving the following information.

1. Prime cost
2. Factory overheads and its percentage on production wages,
3. Factory cost.
4. General overheads as a percentage on factory cost.
5. Total cast.

Q3 From the following information calculate

- 1) Re-order level
- 2) Maximum stock level
- 3) Minimum stock level

Re-order quantity	4000 units
Minimum stock level to allow the emergencies	5 Weeks
Average delivery time from suppliers	4 weeks
Maximum stock level allowed by management	20 weeks
Average rate of consumption Per week	250 units
Minimum consumption in 4 weeks	800 units

Q4 Calculate the normal and overtime wages payable to a workman for the following data. 15

Days	Hours worked
Monday	8 Hrs.
Tuesday	10 Hrs.
Wednesday	09 Hrs.
Thursday	11 Hrs.
Friday	09 Hrs.
Saturday	04 Hrs.
	51 Hrs.

Normal working hours -8 hours per day.

Normal Rate - Rs. 0.50 per hour.

over time Rate-up to g hours in a day at single rate and over g hours in a day at double rate.

Q5 A company has five department A, B, C, D, are producing departments and E is a service 15 department.

The actual costs for a period are as follows.

Repairs	2000Rs.
Rent	2500 Rs.
Depreciation	1200 Rs.
supervision	4000 Rs.
Insurance	1500 Rs.
Lighting	1800Rs
Employers Liability Insurance	600Rs.

The following data are available in respect of the five departments.

	Department				
	A	B	C	D	E
Area [sq. H]	140	120	110	90	40
No. of workers	25	20	10	10	5

Total Wages (RS)	10,000	8000	5000	5000	2000
Value of Plant (RS)	20,000	18,000	16,000	10,000	6000
value of Stock (RS)	15,000	10,000	5000	2000	-

Apportion the costs to various departments on equitable bases.

- Q6 From the under mentioned particulars, prepare a cost sheet of a brick works showing cost and profit per 1000 bricks. Wages [clay getting machines, drying, burning, drawing, sorting, loading] Rs. 150000  
 Coal -5000 tons at Rs. 15 per ton. Royalties Rs. 1.50 Per 1000 bricks made. Depreciation of Plant & machinery at 10% [capital outlay Rs.300000]  
 Removal of over burnt at me rupee Per 1000 bricks.  
 Works overhead -10%. wages and coal.  
 office overhead -2.5%. 07 wages & cool.  
 Bricks made-10152284 [allows for waste at. 1.5%. of output]  
 Bricks sold- 8000000 at Rs. 40 per 1000.  
 Stock of Bricks on 1<sup>st</sup> January, 2000000 at Rs. 30 per 1000.  
 Stock of bricks on 31st December, 4000000 at Rs. 30 per 1000.

Q7 write short notes (any three)

- 1) cost Accountancy.
- 2) Advantages of Cost Accounting
- 3) objectives of Material control.
- 4) Time Rate system.
- 5) Factory overhead.

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