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**SUBJECT CODE NO: - 3045**  
**FACULTY OF COMMERCE AND MANAGEMENT**  
**B.Com S.Y Sem-III**  
**Examination March/April-2022 (To be held in June/July-2022)**  
**Cost Account-I - IV**

[Time: 3:45 Hours]

[Max. Marks:80]

Please check whether you have got the right question paper.

- N.B.
- i) Question No. 1 is compulsory.
  - ii) Attempt any four Questions from Q. No. 2 to Q. No. 7.
  - iii) Use of Calculator is allowed.

Q.1 A) Select the most appropriate answer.

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- i) There are \_\_\_\_\_ element of cost.
  - a) Three
  - b) Four
  - c) Two
  - d) Five
- ii) \_\_\_\_\_ card is maintained by the store-keeper.
  - a) Pan Card
  - b) Aadhar Card
  - c) Bill Card
  - d) All
- iii) F. A. Halsey was an \_\_\_\_\_ engineer.
  - a) Indian
  - b) American
  - c) Italian
  - d) Note
- iv) There are \_\_\_\_\_ methods of calculating machine hour Rate.
  - a) Five
  - b) Six
  - c) Four
  - d) Two
- v) \_\_\_\_\_ Method of pricing material is suitable when prices of material are falling.
  - a) Lifo
  - b) Fifo
  - c) Simple Average
  - d) None

B) Answer in one sentence.

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- i) Write the formula of Piece Rate.

- ii) What EOQ stands for?
- iii) When Rowan's Scheme was introduced?
- iv) What LIFO stands for?
- v) Write the formula for calculating machine Hour Rate.

C) Fill in the blanks and rewrite the sentence.

- i) Cost reduction is concerned with \_\_\_\_\_ cost.
- ii) Overhead in the \_\_\_\_\_ element of cost.
- iii) Time Rate = Hours Worked × \_\_\_\_\_.
- iv) Bill Card is also known as \_\_\_\_\_ Card.
- v) Pay Roll Department prepares \_\_\_\_\_ Sheet.

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D) State whether following statements are True or False.

- i) F. W. Taylor is the Father of Scientific Management.
- ii) Costing is different from Cost Accounting.
- iii) Machine Hour Rate requires more clerical work.
- iv) Quantity discount is allowed to the bulky purchases.
- v) They are two systems of stock verification.

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Q.2 Prepare store ledger using First-in-First-out Method. (Fifo)

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- 1-1-2018 – Opening Balance 150 Kg @ Rs. 5/-
- 5-1-2018 – Purchase 500 Kg @ Rs. 6/-
- 10-1-2018 – Issued 300 Kg
- 10-1-2018 – Issued 250 Kg
- 20-1-2018 – Purchased 700 Kg @ Rs. 8/-
- 25-1-2018 – Purchased 450 Kg @ Rs. 9/-
- 29-1-2018 – Issued 500 units
- 30-1-2018 – Issued 475 units
- 31-1-2018 – Issued 250 units.

Q.3 During Last Week of December, 2018, worker Ashok manufactured 250 units. The estimated time to produce one unit is 12 minutes. and under the incentre scheme time allowed to be increased by 25 %. The worker Ashok receives wages for a guaranteed 50 hours a week. @ Rs. 40/- per hour.

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Calculate the wages of worker Ashok according to

- i) Time Rate
- ii) Piece Rate
- iii) Halsey Plan
- iv) Rowan's Plan.

Q.4 Define Costing. Explain the elements of cost.

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Q.5 The Maharashtra Company comprising of four departments A, B, C as Production departments whereas D as Service department.

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The actual costs for the month of December 2018 were as follows

Particulars	Amount Rs.
i) Rent of the Dept	4000
ii) Supervision Charges	6000
iii) Repairs & Maintenance of Plant	2400
iv) Depreciation of Plant	1800
v) Fire Insurance for stock	2000
vi) Power	3600
vii) Liszt	480
viii) Employer's liability for Insurance	600

The information given below is in report of these four departments.

Particulars	Production Dept			Service Dept
	A	B	C	D
Area in Sq. ft.	400	300	200	100
Number of Employees	08	06	04	02
Total Wages	60000	40000	30000	20000
Value of Plant	120000	8000	2000	2000
Value of Stock	100000	50000	50000	-
H. D. Points	4	2	2	1

Apportion the Cost to the various departments on the most equitable basis.

Q.6 From the following information Calculate Machine Hour Rate 15

- i) Cost of Machine Rs. 100000 and estimated scrap value at the end of useful life of 10 years is Rs. 90,000/-
- ii) Working Hours Per Year 22000 Hrs.
- iii) Estimated repairs of machine take 2000 Hrs. Per Year
- iv) Setting up time 5 % of productive time
- v) Machine Consumed electricity of units @ Rs. 1.6 per unit
- vi) Consumables Rs. 10,000 /- Per Year
- vii) The estimated maintenance per year Rs. 12000 /-
- viii) Attendants Charges Rs. 20000 /- per year
- ix) The several overheads allocated for this machine Rs. 10,000 /- Per Year.

Q.7 Write Short notes on: - (any three) 15

- a) Bill Card
- b) Cost Centers
- c) Time Working
- d) Simple average method
- e) Cost units