



Progressive Education Society's
Modern College of Arts, Science & Commerce Ganeshkhind, Pune – 16
(Autonomous)
Internal Examination – Nov./ Dec. 2023
Faculty: Commerce

Program: BCOM
Program (Specific): BCOM
Class: SYBCOM
Name of the Course: Cost & Works Accounting-I
Course Code: 23-COB236 (a)
Paper:

Semester: III

SET: A
Course Type:
Max.Marks: 50

Time: 2.5 Hrs.

Instructions to the candidate:

- 1) All questions are compulsory.
- 2) Figures to the right indicate full marks.
- 3) Use of calculator is allowed.

Q1) A) Fill in the blanks by choosing the proper alternative given in the bracket (any five) 5 Marks

- a) Management Accounting is suitable for _____
 - i. Large Organization
 - ii. Small Organization
 - iii. Co-operative Societies
 - iv. All of the above
- b) _____ is the basic objective of cost accounting.
 - i. Ratio Analysis
 - ii. Financial Audit
 - iii. Cost Ascertainment
 - iv. Budgeting
- c) The total of all indirect costs is called _____
 - i. Prime Cost
 - ii. Overheads
 - iii. Selling Expenses
 - iv. Profit
- d) Direct Expenses are also known as _____.
 - i. Chargeable Expenses
 - ii. Overhead
 - iii. Office Expenses
 - iv. Fixed Cost
- e) _____ level of stock is fixed to prevent the possibility of stoppage of production due to non-availability of material.
 - i. Re-order level
 - ii. Maximum Level
 - iii. High Level
 - iv. Minimum Level
- f) Bin Card is maintained by the _____.
 - i. Storekeeper
 - ii. Manager
 - iii. Auditor
 - iv. Production Department

B) State whether the following statements are True or False (any 5)

5 Marks

- a. Cost+Profit = Sales is the equation of costing
- b. Costing, Cost Accountancy and Cost Accounting are synonymous term
- c. All Overhead are expenses but all expenses are not overheads.
- d. Prime costs are aggregated of Direct Cost, Direct Labour and Direct Expenses
- e. Re-order level is calculated as Maximum consumption x Maximum re-order period
- f. Economic order quantity is that quantity at which cost of holding and carrying inventory is Maximum and equal

Q2) Write short notes on any two of the following.

10 Marks

- a. ABC Analysis
- b. Elements of Costs
- c. Management Accounting
- d. Tender & Quotation

Q3) A. The cost of turnover of a product is made up of the following cost as on 31st March 2023

10 Marks

Loading and Unloading on Materials Purchased	1000
Productive Wages Payable	900
Material used in factory	1900
Sale of Scrap-Raw Material	750
Salary to Watchman and Ward Staff	1100
Material Used in office	800
Godown Rent	3500
Material Used in Manufacturing- direct	45750
Labour Required for Factory Supervision	1800
Cost of Special Drawing	3300
Expenses of Management	1200
Material Used in selling and distribution	1500
Freight Inward	4000
Delivery Van Expenses	1000
Hire of Plant	1700
Labour Required in Production-Direct	9100
Office Supplies Expenses	2200
Material used in primary packing	15000

Assuming that all goods manufactured are sold, what should be the selling price to obtain a profit of 20% Selling Price.

Prepare Cost Sheet of Matglow Ltd Showing:

- Direct Material Cost
- Prime Cost
- Factory Cost
- Cost of Production
- Cost of Turnover
- Selling Price

B) The Annual consumption of material is 10000 kg, ordering cost are Rs. 50 per order, price per kg of material is Rs. 2 and storage cost are 8% p.a. of stock value.

Find out the Economic Order Quantity.

5 Marks

Q 4) A From the following Particulars find out:

8 Marks

- i. Re-order level
- ii. Maximum Level
- iii. Minimum Level
- iv. Average Stock Level

Particulars:

Normal Consumption : 25 units per day

Maximum Consumption : 35 units per day

Minimum Consumption : 15 units per day

Re-order Quantity : 900 units

Minimum Period for receiving the goods – 20 weeks

Maximum Period for receiving the goods – 25 weeks

Normal Period for receiving the goods – 30 weeks

B. What is Material Control? Explain in brief the need and essentials of Material Control. **7 Marks**

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