Seat No: _______________ Enrollment No: _______________

PARUL UNIVERSITY

FACULTY OF COMMERCE

B.Com. (Hons.) Summer 2018 - 19 Examination

Semester: 3 **Date: 19-04-2019**
Subject Code: 16100202 **Time: 2:00pm to 4:30pm**
Subject Name: Cost Accounting-I **Total Marks: 60**

Instructions:
1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1 Do as directed.

A) Multiple choice type questions. (Each of one mark) **(06)**

1. Guiding in fixing the selling price is the advantage of cost accounting to _____
   a) Society b) Management
   c) Government d) Workers

2. _____ is the objection against cost accounting
   a) It is unnecessary b) It is inapplicable
   c) It is expensive d) All of the above

3. Direct material + direct labour + direct expenses = ______
   a) Variable Cost b) Prime Cost
   c) Semi-Variable Cost d) Fixed Cost

4. Lubricating Oil is a
   a) Direct Material b) Indirect Labour
   c) Indirect Material d) Direct Labour

5. Machine operator is a example of
   a) Direct Material b) Indirect Labour
   c) Indirect Material d) Direct Labour

6. Cost Accounting is helping to
   a) Management b) Workers
   c) Society d) All of the above

B) Answer the following as True and False **(06)**

1. Only variable costs are controllable.
2. Process costing can use in sugar mill.
3. Direct wage is a variable cost.
4. Idle time arises when workers are paid on piece basis.
5. Salary of a Watchman is an example of Indirect Material.
6. Supervisor is a indirect labour.

Q.2 Short Note Questions. (Each of 04 mark) **(12)**

1. Discuss the following methods of costing:
   i. Job Order Costing iii. Batch Costing
   ii. Contract Costing iv. Process Costing

2. Standard production is 8 units per hour, working hour per day is 8 hours, lower rate is 5 Rs. and higher rate is 8.75 Rs. per unit, worker X produces 7 units and worker Y produces 9 units. Find the wage of worker X and Y under Taylor's Plan.

3. The cost accountant of Parishram Job Ltd. Has computed labour turnover rates for the quarter ended 31 March, 2018 as 10%, 5% and 3% under Flux method, Replacement Method and Separation method, respectively. If the number of workers replaced during that quarter is 30, find out the number of (i) workers recruited and joined, and (ii) workers left and discharged.

Q.3 Answer the following. (Any Three) **(18)**

1. What is Fraud? Discuss the frauds in the Payment of Wages.

2. The following is the record of receipt and issues of a certain material in the factory during a week:

   April, 2018

1	Opening balance	…50 tones @ □ 10 per tone
	Issued	…30 tones
2	Received	…60 tones @ □ 10.20 per tone
3	Issued	…25 tones Stock verification reveals loss of 1 tone
4	Received back from orders	…10 tones (Previously issued at □ 9.15 per tone)
5	Issued	…40 tones
6	Received	…22 tones @ □ 10.30 per tone
7	Issued	…38 tones

   At what price will you issue the materials? Use FIFO method for this purpose.

3. Elaborate the advantages of Cost Accounting in view of Management.

4. Discuss the Casual Workers and Out-Workers.

Q.4 Answer the following. (Any two) **(18)**

1. Following transactions occur in the purchase and issue of a material:

1 July	:	*Opening Stock*	*500 units*	*@ 20Rs. Each*
4 July	:	*Purchased*	*400 units*	*@ 21Rs. Each*
6 July	:	*Issued*	*600 units*	
8 July	:	*Purchased*	*800 units*	*@ 24Rs. Each*
9 July	:	*Issued*	*500 units*	
13 July	:	*Issued*	*300 units*	
24 July	:	*Purchased*	*500 units*	*@ 25Rs. Each*
28 July	:	*Issued*	*400 units*	

   From the above, prepare the stores ledger account using Last In First Out Method.

2. Calculate the earnings of a worker under (i) Halsey Plan and (ii) Rowan Plan from the following particulars:
   1. Hourly rate of wages guaranteed 0.50 paisa per hour.
   2. Standard time for producing one dozen articles is 3 hours.
   3. Actual time taken by workers to produce 20 dozen articles is 48 hours.

3. Classify the overhead costs according to its functions, elements and behavior.
