

**S.Y.B.COM. SEM – III (CBCS - 2016 COURSE) : WINTER -  
2017**

**SUBJECT: COST & MANAGEMENT ACCOUNTING - I**

Day: **Wednesday**  
Date: **08/11/2017**

Time: **11.00 AM TO 02.00 PM**  
Max. Marks: 60

**W-2017-0238**

**N.B:**

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks
- 3) Use of non – programmable calculator is **ALLOWED**.

**Q. 1** Define the term cost. Explain in detail elements of cost. **(12)**

**OR**

**Q.1** Bring out the importance of Cost Accounting in the modern business world. **(12)**

**Q.2** The accounts of Finolex Ltd., Goregaon for the year ending 31<sup>st</sup> December, 2016 shows the following: **(12)**

	Rs.
Stock of Materials on 1 - 1 - 2016	16,720
Materials Purchased	25,900
Bad Debts written off	910
Traveler's salaries and Commission	1,078
Depreciation on Office Furniture	42
Rent, Rates, Taxes and Insurance (Factory)	1,190
Productive Wages	17,640
Director's Fees	840
General Expenses	476
Gas and water (Factory)	168
Travelling Expenses	294
Sales	70,000
Manager's Salary (2 / 3 factory, 1 / 3 office)	1,500
Depreciation on plant and Machinery	1,820
Discount Allowed	406
Repairs to plant and Machinery	623
Carriage Outward	602
Direct Expenses	1,001
Rent, rates, Taxes and Insurance (office)	280
Gas and water (office)	56
Stock of Materials on 31 - 12 - 2016	8,792

Prepare a statement of cost showing:

- a) Cost of materials consumed
- b) Prime Cost
- c) Factory Cost
- d) Cost of production
- e) Total Cost

**Q.3** **(12)**

Opening stock of material Rs.	30,000
Purchases of material Rs.	50,000
Closing stock of material Rs.	10,000
Productive wages Rs.	30,000
Factory expenses Rs.	10,000
Office expenses Rs.	11,000
Selling and distribution expenses Rs.	16,500

**P.T.O.**

- Prepare cost sheet and also calculate
- % of factory expenses to wages
  - % of office expenses to factory cost
  - % of selling and distribution expenses to factory cost
  - The firm has to send a tender, it is estimated that material require cost Rs. 20,000 and wages Rs. 9,000 Tender is to be made at 10% profit on cost.

**Q.4** The following particular have been available from the accounts of kundam company Ltd. for the year ended 31<sup>st</sup> March 2017 (12)

Opening stock of material Rs.50,000

Purchases of raw material Rs.12,00,000

Carriage of raw material Rs. 60,000

Wages to manual lab and also that working on machine Rs. 7,00,000

Work Overheads Rs.1,96,000

Establishment and general material Rs. 1,49,170

Closing stock of raw material Rs.75000

Find out the work cost and total cost of motor car, The % of work Overheads to wages and % of establishment charges to work cost.

Work out what price the company should quote for motor car which it is estimated, will require raw material Rs. 5500 and wages Rs. 5,500 so that at would yield profit 25% on cost and 20% on selling cost.

**OR**

**Q.4** Explain the following-

- Objectives of material control (06)
- Tender and their types (06)

**Q.5** Write short notes ( any THREE) (12)

- Disadvantages of Cost Accounting
- Uses of cost sheet
- Difference between Tender & Quotation
- Purchase procedure
- Items excluded from Cost sheet