

Roll No.

Total No. of Pages : 04

Total No. of Questions : 09

B.Com. (Hons.) (2019 Batch) (Sem.–2)

COST ACCOUNTING

Subject Code : BCOM-201-18

M.Code : 75828

Date of Examination : 15-12-22

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. SECTION-B consists of FOUR Sub-sections : Units-I, II, III & IV.
3. Each Sub-section contains TWO questions each, carrying TEN marks each.
4. Student has to attempt any ONE question from each Sub-section.

SECTION-A

1. Answer briefly :

- a) Distinguish between cost centre and profit centre
- b) From the following particulars calculate prime cost and factory cost:
Opening stock of Raw Material Rs. 60,000
Purchase of Raw Material Rs. 3,20,000
Carriage on purchase of raw material Rs. 20,000
Carriage on sales Rs. 25,000
Closing stock of Raw Material Rs. 72,000
Factory overheads Rs. 55,000.
- c) Distinguish between reordering level and danger level of stock.
- d) What are the different components of labour cost?
- e) Explain the terms tender and quotation.
- f) Explain the term labour turnover ratio.
- g) Distinguish between marginal costing and variable costing.

- h) Explain the term breakeven point.
- i) Define the term Just In Time (JIT).
- j) Explain the term activity based costing.

SECTION-B

UNIT-I

2. Prepare cost sheet from the following information of Reflex India Limited :

Opening Stock of Raw Material	Rs. 6,50,000
Purchase of Raw Material	Rs. 35,50,000
Closing Stock of Raw Material	Rs. 7,40,000
Carriage on Purchases	Rs. 51,000
Freight inward	Rs. 24,000
Fuel and power	Rs. 8,52,000
Factory rent	Rs. 1,57,000
Factory lighting	Rs. 1,34,000
Wages and salaries	Rs. 2,82,000
Salaries	Rs. 5,70,000
Office lighting	Rs. 1,20,000
Depreciation on factory equipments	Rs. 2,50,000
Depreciation on office assets	Rs. 2,40,000
Opening Stock work in progress	Rs. 5,50,000
Closing Stock work in progress	Rs. 5,00,000
Advertisements	Rs. 2,20,000
Salesmen commission	Rs. 3,00,000
Factory telephone Expenses	Rs. 75,000
Office telephone Expenses	Rs. 100,000
Opening stock of closing stock of finished goods	Rs. 4,50,000
Closing stock of closing stock of finished goods	Rs. 6,50,000
Selling Price	125% of total cost

3. What are the essential principles of good costing system? State and explain the main differences between cost accounting and financial accounting.

UNIT-II

4. From the following transactions, prepare stores ledger account using FIFO and average methods :

Year 2018				
1 st September	Opening stock			1000 units @ Rs. 12 each
5 th September	Purchased	GRN	676	1500 units @ Rs. 13.50 each
8 th September	Issued	SR	355	900 units
11 th September	Purchased	GRN	677	1600 units @ Rs. 15 each
19 th September	Issued	SR	360	750 units
23 rd September	Issued	SR	363	650 units
24 th September	Purchased	GRN	685	1750 units @ Rs. 12.50 each
28 th September	Issued	SR	370	850 units
30 th September	Purchased	GRN	695	1050 units @ Rs. 14.50 each

Note : GRN = Goods received note and SR = stores Requisition.

5. A worker produced 300 units in a week's time. The Guaranteed weekly wage payment for 48 hours is Rs. 90. The expected time to produce one unit is 20 minutes which is raised further 25% under incentive scheme. What will be earnings per hour of that worker under Halsey (40%) Sharing and Rowan bonus schemes?

UNIT-III

6. From the following information for the year of 2018 Yashu Company Limited. You are required to compute the followings:
- Profit Volume ratio
 - Variable cost
 - Break Even point
 - Profit if company has target sales of 2019, Rs. 75,00,000
 - Target sales to generate profit of Rs. 15,00,000

Sales	Rs. 60,00,000
Fixed Cost	Rs. 8,00,000
Profit	Rs. 10,00,000

7. From the following information, prepare a reconciliation statement:

	Rs.
Net profit as financial books	63,780
Net profit as costing books	66,780
Factory overhead under recovered in costing	5700
Administrative Expenses recovered in excess	4250
Depreciation in financial books	3660
Depreciation in costing books	3950
Interest received but not included in costing books	450
Income tax provided in financial books	600
Bank Interest credited in financial books	230
Dividend appropriate in financial books	1,200
Stores adjustments (Credited in financial books)	420
Loss due to theft and pilferage provided in financial books	260
Depreciation of stock charged in financial books	860

UNIT-IV

8. You are required to prepare flexible budget for overheads on the basis of data given below. Ascertain the overhead rates 40%, 50% and 100 % capacity.

	At 40% Capacity (Rs.)	At 50% Capacity (Rs.)	At 100% Capacity (Rs.)
Variable Overheads			
Indirect material		12,000	
Indirect labour		18,000	
Semi Variable Overheads			
Electricity (30% fixed and 70% variable)		27,500	
-			
Repairs and maintenance (60% fixed and 40% variable)		27,500	
Fixed overheads			
Depreciation		15,000	
Insurance		10,000	
Salaries		25,000	
Total Overheads		5,80,000	

9. Write short notes on following :
- Kaizen costing
 - Just in Time
 - Total Quality Management.

NOTE : Disclosure of identity by writing mobile number or making passing request on any page of Answer sheet will lead to UMC case against the Student.