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B.M.S COLLEGE FOR WOMEN, AUTONOMOUS
BENGALURU – 560004
SEMESTER END EXAMINATION – MARCH/APRIL- 2023

B.Com. – III Semester

COST ACCOUNTING
(NEP Scheme 2021-22 onwards)

Course Code: COM3DSC09
Duration: 2 ½ Hours

QP Code: 3023
Max. Marks: 60

SECTION-A

1. Answer any FIVE of the following questions. Each question carries TWO Marks. (5X2=10)

- Define Cost Accounting.
- What do you mean by a Cost Sheet?
- Who is a Store Keeper?
- Give the meaning of Over Time.
- Give the meaning of Overheads.
- What you mean by Labour Turnover?
- What is a Bin card?

SECTION- B

Answer any FOUR of the following question. Each question carries FIVE Marks. (4X5=20)

- Explain any 5 Objectives of Cost Accounting.
- In a manufacturing company, a material is used as follows:

Re-Order Quantity = 3600 units

Maximum Consumption = 900 units per week

Minimum Consumption = 300 units per week

Normal Consumption = 600 Units per week

Re-Order period 3 to 5 weeks

Calculate a.) Re-Order Level b) Minimum Stock Level c) Maximum Stock Level.

- The following transactions took place in respect of a material item:

Date	Receipt Quantity	Rate	Issue Quantity
March 2	200 units	Rs.2.00	–
“10	300 units	Rs.2.40	–
“15	–	–	250 units
“18	250 units	Rs.2.60	–
“20	–	–	200 units

Prepare a Stores Ledger Sheet, pricing the issues at Weighted Average Rate.

5. Calculate the earnings of worker Arun under Straight Piece Rate System and Taylor's Differential Piece-Rate System from the following particulars:

Normal rate per hour = Rs.1.80

Standard Time per unit = 20 seconds

Differentials to be applied: 80% of piece rate below standard

120% of piece rate at or above standard.

Worker Arun produces 1,300 units in a 8 hour work day.

6. From the following data relating to Machine, calculate Machine Hour Rate.

Purchase cost of the Machine Rs.2,00,000

Scrap value after 10 years of life Rs.20,000

Yearly working hours 2,000

Charge 50% of depreciation as Repairs.

Power Cost 5 units of power per hour @ Rs.5 per Unit

Oil Expenses @ Rs.20 per day of 8 hours

Consumables stores @Rs.100 Per day of 8 hours.

SECTION- C

Answer any TWO of the following question. Each question carries TWELVE Marks. (2X12=24)

7. From the following data prepare a cost and profit statement of Famous Stoves Manufacturing Company for the year ending 2020:

Stock of materials on 1-1-2020	Rs.35,000
Stock of materials on 31-12-2020	Rs. 4,900
Purchase of materials	Rs.52,500
Direct Wages	Rs.95,000
Factory Expenses	Rs.17,500
Establishment expenses	Rs.10,000
Completed Stock in hand on 1-1-2020	NIL
Completed Stock in hand on 31-12-2020	Rs.35000
Sales	Rs.1,89,000

The number of stoves manufactured during the year 2020 were 4,000. The Company wants to Quote for a contract for the supply of 1,000 Electric Stoves during the year 2021. The Stoves to be quoted are of uniform quality and similar to those manufactured in the previous year: but cost of materials has increased by 15% and cost of factory labour by 10%,

Prepare a Statement showing the price to be quoted to give the same percentage of Net Profit on turnover as was realized during the Year 2020, assuming that the cost per unit of Overheads will be the same as in the previous year.

8. The following Purchases have been extracted in respect of material 'ExE'. Prepare Stores Ledger Account under LIFO Method of Pricing of Material Issues.

Receipts:

3/10/2022 Purchased 500 units @ Rs. 4 per unit
 4/10/2022 Purchased 100 units @ Rs.4.20 per unit
 10/10/2022 Purchased 50 units @ Rs.4.25 per unit
 13/10/2022 Purchased 800 units at Rs.4.30 per unit
 23/10/2022 Purchased 850 units at Rs.3.80 per unit

Issues:

5/10/2022 Issued 400 units
 10/10/2022 Issued 50 units
 15/10/2022 Issued 900 units
 25/10/2022 Issued 450 units.

9. Zenith Co. Ltd has two production and two service departments. The following data relate to the year ending 31.3.2022.

Particulars	Total	Production Dept. X	Production Dept. Y	Service Dept. P	Service Dept. Q
Direct Wages	28,000	10,000	8,000	6,000	4,000
Indirect Wages	14,650	4,000	3,000	2,000	5,650
Indirect Materials	5,000	1,800	700	1,000	1,500
Sundry Supplies	1,750	400	1,000	150	200
Supervisor's Salary	4,000	2,000	2,000	-	-
General Expenses	10,000	-	-	6,000	4,000

Overheads to be apportioned:

Power 8,000
 Rent 12,000
 Heating and Lighting 6,000
 Insurance (general) 1,000
 Taxes 2000
 Depreciation 60,000

The further details were as follows:

	X	Y	P	Q
Floor Space (Sq,Ft)	2,000	800	400	1,600
Radiator Section	45	90	30	60
No. of Employees	20	10	3	5

Investment (Rs.)	6,40,000	2,00,000	10,000	1,50,000
HP of Machine	3,500	500	-	1,000

Expenses of service department P is apportioned based on no. of employees and that of service Department Q in the ratio of 5:2:3 to X, Y and P departments.

SECTION- D

Answer any ONE of the following questions, carries SIX Marks.

(1X6=6)

10. Name any Six documents used for material accounting.
11. Mention the causes of labour turn over in manufacturing organization.

BMS SCW

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