

(6)

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Sales Revenue	1,70,000
Marketing Promotions	75,000
Marketing Salaries	1,25,000
Distribution Cost	87,500
Customer Service Cost	1,25,000

You are required to prepare Cost Sheet.

10 Marks

OR

(b) Discuss 'Installation of Costing System'.

10 Marks

5. (a) Write short notes on the following :

10 Marks

- (i) Accounting of Labour Cost
- (ii) Direct Labour
- (iii) Indirect Labour

OR

(b) Briefly explain the organization responsible for labour control. 10 Marks

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Roll No.

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B. COM. (H) (FOURTH SEMESTER)
MID SEMESTER EXAMINATION, 2021
COST ACCOUNTING

Time : 1½ Hours

Maximum Marks : 50

Note : (i) Answer all the questions by choosing any one of the sub-questions.

1. (a) The books of Chiranjilal Ltd. submit the following information on 31st March, 2018 :
- 10 Marks
- ₹

Direct Labour Cost (160% of Factory Overhead)	32,000
Cost of Goods Sold	1,12,000
Opening Balance of Raw Material	16,000

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Closing Balance of Raw Material	17,200
Opening Balance of W. I. P.	16,000
Closing Balance of W. I. P.	24,000
Opening Balance of Finished Goods	28,000
Closing Balance of Finished Goods	36,000
Raw Material Purchased	72,000
General and Administration Expenses	5,200
Selling Expenses for the Year	6,800
Sales for the Month	1,50,000

Calculate the profit/loss by preparing a cost sheet.

OR

(b) What are the difference between Financial Accounting and Cost Accounting ?

10 Marks

2. (a) What do we mean by Economic Order Quantity ? Find out the E. O. Q, when

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Annual usage units are 10,000 kg, cost of placing an order is ₹ 50, cost per kg of raw material is ₹ 2 and storage cost is 8% on average inventory.

10 Marks

OR

(b) Prepare a stores ledger account from the following transactions under the LIFO method :

10 Marks

Data	Particulars	Units	Cost Rate (₹)
1 Jan.	Purchased	1000	1
10 Jan.	Purchased	260	1.05
20 Jan.	Issued	700	—
4 Feb.	Purchased	400	1.15
21 Feb.	Purchased	300	1.25
16 March	Issued	620	—
12 April	Issued	240	—
10 May	Purchased	500	1.10
25 May	Issued	380	—

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3. (a) Explain the scope of materials control.
What are the different types of stock levels ? What are the essentials of material storing ?

10 Marks

OR

- (b) Two components X and Y are used as follows :

10 Marks

Normal Consumption : 600 units per month each component.
Minimum Consumption : 300 units per month each component
Maximum Consumption : 900 units per month each component
Re order Quantity for X : 4800 units
Re order Quantity for Y : 7200 units
Re-order Period for X : 4-6 months
Re-order Period for Y : 2-4 months
Calculate Reorder Level, Maximum Level, Minimum Level of ordering quantity, Average Level.

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4. (a) Gabriel Ltd. is a metal and wood cutting manufacturer selling products to the home construction, market consider the following data for the month of October :

Sand Paper	2,500
Material Handling Cost	87,500
Lubricants and Coolants	6,250
Miscellaneous and Indirect Manufacturing Labour	50,000
Direct Manufacturing Labour	3,75,000
Direct Material (October 1st)	50,000
Direct Material (October 31st)	62,500
Finished Goods (October 1st)	1,25,000
Finished Goods (October 31st)	1,87,500
W. I. P. (October 1st)	12,500
W. I. P. (October 31st)	17,500
Plant Leasing Cost	67,500
Depreciation on Plant	45,000
Property Tax on Plant	5,000
Fire Insurance on Plant	3,750
Direct Material Purchased	5,75,000