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## BCH-402

**B. COM. (HONS.)**  
**(FOURTH SEMESTER)**  
**MID SEMESTER**  
**EXAMINATION, April, 2023**

**COST ACCOUNTING**

**Time : 1½ Hours**

**Maximum Marks : 50**

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

(ii) Each sub-question carries 10 marks.

1. (a) State the advantages of cost accounting to :  
(CO1)

- (i) Employees
- (ii) Investors
- (iii) Government
- (iv) Consumers

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OR

(b) From the below given information, calculate total cost and sales : (CO1)

- (i) Opening stock of raw material ₹ 20,000
- (ii) Purchase of raw material ₹ 40,000
- (iii) Direct material returned to supplier ₹ 8,000
- (iv) Carriage inward ₹ 2,000
- (v) Closing stock of direct material ₹ 6,000
- (vi) Direct wages ₹ 12,000
- (vii) Indirect wages ₹ 20,000
- (viii) Other Indirect Expenses ₹ 2,000
- (ix) Opening W.I.P. ₹ 8,000
- (x) Closing W.I.P. ₹ 4,000
- (xi) Work Overhead ₹ 60,000
- (xii) Sales of Scrap ₹ 4,000
- (xiii) Office Expenses ₹ 8,000
- (xiv) Carriage outward ₹ 16,000
- (xv) Showroom expenses ₹ 8,000
- (xvi) Bad Debts ₹ 4,800
- (xvii) Profit is 20% of total cost.

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2. (a) From the following information, calculate the W. I. P. inventory of P ltd. (CO1)

Closing stock of raw materials ₹ 1,24,000

Finished Goods closing stock ₹ 2,20,000

Opening stock of raw materials ₹ 1,20,000

Opening stock of W. I. P. ₹ 2,00,000

Opening stock of Finished Goods ₹ 2,80,000

Gross Profit Margin amounts to 25% of sale.

The sales amounted to ₹ 6,80,000.

Raw Material purchased ₹ 2,30,000.

Direct Labour cost ₹ 1,60,000

Manufacturing Overhead 50% of Direct Labour.

Calculate Closing W. I. P.

OR

(b) Write short notes on any *two* of the following : (CO1)

(a) Installation of Costing System

(b) Classification of Cost

(c) Elements of Cost

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3. (a) Write a short note on the following : (CO2)
- (i) Objectives and scope of material control.
  - (ii) Maximum and minimum stock level.

OR

- (b) A company operates 340 days annually, and consumes 100 units daily of a specific raw material. The cost of placing an order amount to ₹ 150 per order. The averages inventory carrying cost per day per unit amounts to Re. 0.040. Compute the most economical order to be placed while placing an order. Also calculate the number of orders to be placed annually.

(CO2)

4. (a) Discuss the key functions for material control in an organization. (CO2)

OR

- (b) Receipts and issues in a factory during a week were as under : (CO2)

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- Feb. 2 Opening balance 50 tons @ ₹ 10 per order
- Feb. 3 Issued 30 tons
- Feb. 4 Purchased 60 tons @ ₹ 10.12 per ton
- Feb. 5 Issued 25 tons (stock verification reveals loss of one ton)
- Feb. 6 Received back from complete work order 10 tons (previously issued @ 9.94 per ton)
- Feb. 7 Issued 40 tons

Prepare Stock Ledger on the basis of "Weighted Average Method".

5. (a) Discuss the treatment for material losses.

(CO1)

OR

- (b) Explain any three department responsible for Labour control. (CO1)

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