

**TDC Odd Semester Exam., 2020
held in July, 2021**

COMMERCE

(Pass)

(3rd Semester)

Course No. : BCMP-302

(Cost Accounting)

Full Marks : 50

Pass Marks : 17

Time : 2 hours

*The figures in the margin indicate full marks
for the questions*

Answer **five** questions, selecting **one** from each Unit

UNIT—I

1. (a) Explain the terms 'Cost Accounting' and 'Management Accounting'. 2+2=4
- (b) Mention any six points of differences between Cost Accounting and Management Accounting. 6

2. (a) Do you think that Financial Accounting and Cost Accounting are the same branch of accounting? Explain in 2-3 lines. 2
- (b) How does Cost Accounting help in the planning, decision-making, and control of operations of a business enterprise? 8

UNIT—II

3. Explain the following terms : 2×5=10
- (a) Elements of cost
- (b) Works on cost
- (c) Cost centre
- (d) Cost of a product
- (e) Imputed cost
4. (a) What is the purpose of preparing 'Cost Sheet'? 2
- (b) Calculate the following with the help of the given particulars : 8
- (i) Value of raw materials consumed
- (ii) Total cost of production

(3)

(iii) Cost of goods sold	
(iv) Total profit	
	₹
Opening Stock :	
Raw materials	15,000
Finished goods	14,000
Closing Stock :	
Raw materials	14,000
Finished goods	15,000
Raw materials purchased	60,000
Wages paid to labourers	30,000
Direct chargeable expenses	2,000
Rent, rates and taxes	5,000
Factory, heating and lighting	2,000
Power	12,000
Factory insurance	700
Office manager's salary	4,000
Office printing and stationery	1,200
Salaries to salesmen	2,000
Commission to travelling agents	1,000
Sales	1,50,000

(4)

UNIT—III

5. Explain the following terms : 2×5=10
- (a) VED Analysis
 - (b) Double Bin System
 - (c) Material Control
 - (d) Reordering Level
 - (e) Perpetual Inventory System
6. Bharat Manufacturing Company Ltd. uses copper wire which is purchased from the market as and when necessary. Following particulars like purchases and issues were made during the months of January 2020 :
- January 1 : Opening balance—300 kg at ₹ 25 per kg
" 3 : Purchased—500 kg at ₹ 26.60 per kg (Purchase Order No. 101)
" 4 : Issued—220 kg (Material Requisition No. 201)
" 10 : Issued—440 kg (Material Requisition No. 202)
" 20 : Purchased—490 kg at ₹ 23 per kg (Purchased Order No. 102)
" 25 : Issued—300 kg (Material Requisition No. 203)
" 26 : Surplus 20 kg returned to store out of quantity issued on 4th January (Material Returned Note No. 20)
- Prepare Stores Ledger A/c for the above transactions according to LIFO method of pricing issue of materials. 10

(5)

UNIT—IV

7. (a) What is Standard Time? 2
(b) Write down the advantages of Halsey Premium Plan and Rowan Premium Plan. 4+4=8
8. The firm employs five workers at an hourly rate of ₹ 2. During the week they worked for four days for a total period of 40 hours each and completed a job for which the standard time was 48 hours for each worker. Calculate the labour cost under the 'Halsey Method' and 'Rowan Method' of incentive plan payments. 5+5=10

UNIT—V

9. (a) Define overhead. 2
(b) Discuss briefly the different methods for absorption of factory overheads. 8
10. (a) What do you mean by 'Machine Hour Rate'? 2
(b) Work out the 'Machine Hour Rate' for the following machine whose scrap value is nil : 8
(i) Cost of machine—₹ 3,60,000
(ii) Freight and installation—₹ 40,000

(6)

- (iii) Working life—20 years
(iv) Working hours—8000 per year
(v) Repair charges—50% of depreciation
(vi) Power—10 units per hour @ 10 paise per unit
(vii) Lubricating oil @ ₹ 2 per day of 8 hours
(viii) Consumable stores @ ₹ 10 per day of 8 hours
(ix) Wages of operator @ ₹ 4 per day
