

SARASWAT EDUCATION SOCIETY'S
SRIDORA CACULO COLLEGE OF COMMERCE & MANAGEMNT STUDIES
KHORLIM, MAPUSA, GOA.
T.Y.BCOM FIFTH SEMESTER END EXAMINATION NOVEMBER 2023

COST ACCOUNTING MAJOR I: COST ACCOUNTING I (DSE 1)

[Duration: Two Hours]
(W.E.F 2019-20) (CBCS)

[Max Marks: 80]
Total No. of Printed Pages: 03

Instructions:

- 1) Question No. 1 is Compulsory
- 2) Attempt any three questions from Question No. 2 to Question No. 6
- 3) Each question carry 20 marks
- 4) Give working notes wherever necessary

Q. 1 Rututech Motors Limited from Bethora Industrial estate manufactures Air coolers as one of its products. They use two types of material namely Aluminium and Steel. **(20 Marks)**

Particulars	Aluminium	Steel
Normal Usage (in Units)	400	300
Minimum Usage (in Units)	200	200
Maximum Usage (in units)	600	500
Reorder Quantity (in Units)	1500	1800
Reorder Period (in Months)	2 to 4	3 to 5

Calculate for Aluminium and Steel used above, the following stock levels

1. Reorder Level
2. Minimum Level
3. Maximum Level
4. Average Level

Q. 2 a) Following quotation is received from Metal Planet Corporations in respect of material item metal sheets. **(10 Marks)**

Lot price 4000 units @10 each, 8000 units @8 each and 12000 units @6 each

Trade discount 20%

Cash discount (5% if payment is made within fortnight)

Freight charges per order Rs. 500

Container charged at Re 0.75 each

One container is required for every 100 units, and if container are returned within three months, credit would be received at Rupee 0.40 each

Calculate the material cost for 12,000 units, assuming that, purchaser is to purchase the lot and the containers are returned in due course. Purchaser made the payment within fifteen days.

b) Explain Centralised and Decentralised purchase system **(10 marks)**

Q.3 a) Explain the various classification of cost in detail **(10 Marks)**

b) Discuss benefits and limitations of cost accounting **(10 marks)**

Q.4 Following are the receipts and Issues of components in car manufacturing company during the month of October 2023. You are required to prepare store ledger using FIFO and LIFO method **(20 Marks)**

October 1st Opening balance of stock 400 units @ 160 per unit

October 4th Issued stock 280 units

October 6th Purchased stock 700 units @ 180 per unit

October 9th Issued stock 240 unit

October 11th Purchased stock 500 units @ 170 per unit

October 12th Issued Stock 240 units

October 13th Issued stock 200 units

October 14th Purchased stock 360 units @ 150 per unit

October 15 Issued Stock 200 units

Q.5 a) From the following receipts and issues of manufacturing company during the month of March 2022, Prepare the store ledger using weighted average method **(10 Marks)**

1st March Opening balance 150 tons @ 4 per ton

2nd March Received 100 tons @4.40 per ton

6th March Issued 75 tons
 8th March Received 100 tons @ 4.60 per ton
 12th March Issued 75 tons
 15th March Issued 100 tons
 25th March Received 100 tons @ 4.80 per ton
 27th March Issued stock verifier found shortage of 75 tons

b) From the following information, calculate the EOQ (5 marks)

Annual Consumption: 16,000 units

Cost of placing an order: Rs 1000

Cost of material: Rs 80 per unit

Annual Carrying cost: 10%

c) Discuss ABC method of store control (5 Marks)

Q.6 Write short notes on Any Four (4X5 = 20 Marks)

- Cost Accounting v/s Financial Accounting (five points)
- Accounting for defective
- Bin Card
- Dimensions of material Control
- Installation of costing system
- Purchase Requisition Form

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