

Total No. of Printed Pages: 2

**T.Y.B.Com Semester V (CBCS) Ordinance**  
**EXAMINATION APRIL 2024**  
**Cost Accounting Major 1 : Cost Accounting I**

[Time: 2:00 Hours]

[Max. Marks: 80 ]

- Instructions:** 1) Question number One is compulsory.  
2) All questions carry equal marks and figures to the right indicate maximum marks allotted to Questions/sub questions.  
3) Answer any Three Questions from Question No. 2 to Question No. 6.

Q1 A) From the following information of Vista Company. Compute re-order level, (20)

Minimum Level, Maximum Level and Average stock level for component X and Y used by vista company in Manufacturing a product.

Normal Usage - 100 Units per week each

Minimum Usage - 50 Units per week each

Maximum usage - 150 units per week each

Re-order period: Component x - 4 to 10 weeks

Component Y - 2 to 8 weeks

Re-order Quantity Component X - 600 units

Component Y - 900 unit.

Q2 a) A quotation is received from a supplier for the supply of Material X (10)  
used in the production of product Gama in a company

The lot price for 1,000kgs is @ Rs 5 per kg.

The lot price for 6000kgs is @ Rs 4.50 per kg

The lot price for 10,000kgs is @ Rs. 4 per kg

Trade discount is 20% and cash discount is 5% if payment is made within 15days of the purchase. One container is required for every 1,000kg of the material and container is charged @ Rs. 100 each but credited Rs. 90 if returned within three months. The transportation Charges for one order are Rs. 1,340 and stores charges are Rs 400.

Calculate the material cost for 6,000 kg of material when the purchaser decides to purchase 6000 kg of material, assuming containers are returned in due course. Also Calculate the cost per kg of materials.

b) State major differences between Centralized Purchase & Decentralized Purchase (10)



UCOD102

- Q3 The received side of the stores ledger accounts shows the following particulars: (20)
- Jan 1 Opening Balance: 500 Units @ Rs.4.  
Jan, 5 Received from Vendor: 200 Units @ Rs. 4.25  
Jan 12 Received from Vendor 150 Units @ Rs.4.10  
Jan 20 Received from Vendors:300 Units @ Rs.4.50  
Jan, 25 Received from Vendors: 400 Units @Rs.4  
Issues of material were as follows:  
Jan, 4 -Issued 200 Units; Jan, 10 -Issued 400 units; Jan, 15- Issued 100 Units; Jan, 19-Issued 100 Units; Jan, 26 -Issued 200Units; Jan, 30 -Issued 250 Units  
Issues are to be priced on the principal of FIFO. Write out the stores ledger accounts in respect of the materials for the month of January. 2021
- Q4 (a)Differentiate between Cost Accounting and Financial Accounting (10)  
(b)Describe the advantages of Cost Accounting System to various Stakeholders (10)
- Q5 a) The Following transaction took place during the month of March, 2022 in the Manufacturing plant relating to the material "A-65" .Prepare stores Ledger account using Highest in First Out Method (10)
- 1st March 2022 Purchased 4,000 units @ Rs.4 per unit.  
8th March 2022 Purchased 500units @ Rs. 5 per unit  
15th March 2022 Issued 2,000 units  
18th March 2022 Purchased 6,000 units @ Rs. 6 per unit  
20th March, 2022 Issued 4,000 units  
21 March, 2022 Issued 1,000 units  
23rd March 2022 Issued 2,000 units  
25th March 2022 Purchased 4,500 units @ Rs.5.5 per unit  
30th March 2019 Issued 3,000 units.
- b) About 50 items are required every day for a machine. A fixed cost of @Rs.50 per order is incurred for placing an order. The inventory carrying cost per item amounts to @ Rs 0.02 per day. Compute EOQ using Formula Method and also calculate number of orders to be place in a year. (10)
- Q6 Write short notes on Any Four from the below given. (4 \* 5 = 20)
- 1) Role of Cost Accounting in Managerial Decision Making.
  - 2) Advantages of centralized purchase system.
  - 3) ABC method of stores control
  - 4) Market price method of pricing
  - 5) Functions of a Storekeeper.
  - 6) Advantages of Perpetual Inventory System.