

# P P SAVANI UNIVERSITY

Third Semester of B. Com Examination  
November 2022

SMBC2120 Cost Accounting - 1

22.11.2022, Tuesday

Time: 09:00 a.m. To 11:30 a.m.

Maximum Marks: 60

## Instructions:

1. The question paper comprises of two sections.
2. Section I and II must be attempted in separate answer sheets.
3. Make suitable assumptions and draw neat figures wherever required.
4. Use of scientific calculator is allowed.

## SECTION - I

			CO	BTL
Q - 1	Explain the following terms (Any Five)	[05]	1	1
(i)	Cost			
(ii)	Fixed Cost			
(iii)	Sunk Cost			
(iv)	Labor Turnover			
(v)	EOQ			
(vi)	Cost Allocation			
(vii)	Cost Object			
Q - 2	Define the term Cost Accountancy. Explain the objectives of Cost Accounting.	[10]	1	2

## OR

Q - 2	Explain the different classification of cost.	[10]	1	2
Q - 3	Prepare store Ledger Account by LIFO in the books of Sumitra:	[10]	2	4

Opening stock on 1st April 400 Units of Rs. 50 per unit.

Date

2 April Purchased 100 units @ Rs.55 each

6 Issued 400 units

10 Purchased 600 units @ Rs. 60 each

13 Issued 500 units

20 Purchased 500 units @ Rs. 65 each

25 Issued 600 units

10 May Purchased 800 units @ Rs. 70 each

12 May Issued 500 units

13 Issued 200 units

15 Purchased 500 units @ Rs. 75 each

17 Issued 400 units

25 Purchased 300 units @ Rs. 80 each

## OR

Q - 3	Prepare store Ledger Account by FIFO in the books of Niraj:	[10]	2	4
	Opening stock on 1st April 400 Units of Rs. 50 per unit.			

Date

2 April Purchased 100 units @ Rs.55 each

6 Issued 400 units

10 Purchased 600 units @ Rs. 60 each

13 Issued 500 units

20 Purchased 500 units @ Rs. 65 each

25 Issued 600 units

10 May	Purchased 800 units @ Rs. 70 each
12 May	Issued 500 units
13	Issued 200 units
15	Purchased 500 units @ Rs. 75 each
17	Issued 400 units
25	Purchased 300 units @ Rs. 80 each

- Q - 4 Attempt any one. [05] 2 2  
 (i) Just in Time Inventory  
 (ii) ABC System

**SECTION - II**

- Q - 1 Explain the following terms (Any Five) [05] 1 1  
 (i) Reorder Level  
 (ii) Prime Cost  
 (iii) Normal Waste  
 (iv) Labor Turnover  
 (v) Abnormal Cost  
 (vi) Taylor's piece rate system  
 (vii) Management Accounting

- Q - 2 (a) Calculate the normal and overtime wage payable to a workmen from the following data. [10] 3 4

Days	Hour Worked
Monday	10
Tuesday	7
Wednesday	9
Thursday	11
Friday	5
Saturday	12
Total	54

Normal working hours - 8 hours per day

Normal rate per hour - Rs. 30

Overtime: up to 8 hours in a day at single rate and over 8 hours double rate.

**OR**

- Q - 2 (a) Explain the limitations of Material Control. [10] 2 4  
 Q - 3 (a) From the following information prepare Cost Sheet for the month ending May, 2022 in the books of Mr. Raja. [10] 1 4

Particulars	Amount
Raw Material	Rs. 45,000
Direct Wages	Rs. 10,000
Factory Overhead	Rs. 35,000
Administrative Overhead	Rs. 40,000
Selling Overhead	Rs. 1 per unit
Unit Produced	7000 units
Unit Sold	5,000 units of Rs. 75

**OR**

- Q - 3 (b) From the following information prepare Cost Sheet for the month ending April, 2022 in the books of Ms. Femina. [10] 1 4



Particulars	Amount
Raw Material	Rs. 8,00,000
Direct Wages	Rs. 4,00,000
Factory Overhead	35% of the wages
Administrative Overhead	25% of the work cost
Selling Overhead	15% of the wages
Profit	15% of the total cost

- Q - 4** Attempt any one. **[05]** 1 2
- (i)** Difference between Cost Accounting and Management Accounting
- (ii)** Classification of Overhead

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CO : Course Outcome Number

BTL : Blooms Taxonomy Level

Level of Bloom's Revised Taxonomy in Assessment

1: Remember	2: Understand	3: Apply
4: Analyze	5: Evaluate	6: Create