

B-Com - I Sem. + II Sem
Dec/2012

Total No. of printed pages = 10

4 (Sem-1) COAC (M1)

Sem-I
2012

COST ACCOUNTING
(Major)

Full Marks - 80

Time - Three hours

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

1. Answer as directed: 10x1=10

(i) Which of the following is correct statement ?

- (a) Cost Accounting is needed by a non-profit organisation such as a hospital.
- (b) Cost Accounting provides information for ascertaining financial position of a company.
- (c) All limited companies registered under the Companies Act, 1956 must maintain cost accounts records.

[Turn over

Or

From the information furnished below, prepare the Contract Account showing the cost and tender price. 10

Direct material cost	Rs. 60,000
Direct labour cost	Rs. 42,000
Direct expenses	Rs. 5,000
Works overhead	40% of direct wages
Office overhead	5% of works cost
Profit margin	20% of tender price.

Handwritten calculations:

200 x 250 = 50000
100 x 200 = 20000
1500
4500
5000
5000
80 x 250 = 20000

180
500
1300
80

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(d) Cost Accounting is not required if the price is beyond the control of the firm.

(ii) Cost Accounting provides all of the following information except _____. Fill in the gap from the following options :

- (a) Product costs
- (b) Cash forecasts
- (c) Inventory value
- (d) Cost of goods sold.

(iii) Which of the following statements is correct ?

- (a) Cost Accounting helps in ascertaining accounting profit for income tax purpose.
- (b) Cost Accounting provides information to all those who are internal and external to the firm.
- (c) Costing and Cost Accounting are not the same term.
- (d) Cost Accounting helps management in earning extra profit.

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(iv) Write the meaning of 'Purchase Requisition'.

(v) What is 'Codification of Materials' ?

(vi) Just in time (JIT) approach is applied in which of the following cases ?

- (a) Material pricing
- (b) Inventory management
- (c) Cost Sheet preparation
- (d) EOQ.

(vii) Which of the following statements is correct ?

- (a) Abnormal idle time wages are included in the cost of production.
- (b) Total labour cost can be reduced by recruiting cheap labour.
- (c) Fringe benefits are labour related costs.
- (d) Premium bonus plans do not induce workers to increase efficiency.

(viii) Define the terms 'Labour Turnover'.

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