

## B. Com. 4<sup>th</sup> Semester (Honours) Examinations, 2022

### COMMERCE

Course ID: 41211

Course Code: BCOMH 401C-8

Course Title: Cost Accounting II

Full Marks: 40

Time: 2 hours

The figures in the margin indicate full marks

Candidates are required to give their answer in their own words as far as practicable

1. Answer *any FIVE* of the following questions:

2 X5=10

নীচের যে কোন পাঁচটি প্রশ্নের উত্তর দাও

- Explain the term 'Retention money' in the context of contract costing.
- What do you mean by sequential process?
- What is meant by Cost plus contract?
- What is Integrated Accounting?
- What do you mean by Job cost sheet?
- Mention two advantages of Standard Costing.
- What is meant by 'Fixed Budget'?
- Define 'Labour Mix variance'.

2. Answer *any FOUR* of the following questions:

5 x4=20

নীচের যে কোন চারটি প্রশ্নের উত্তর দাও

a) A job passes through three different machines X, Y and Z of which machine hour rate is Rs. 2.50, Rs 3.20 and Rs. 4.50 respectively. The job has been charged for Direct materials of Rs. 14,000 and Direct wages of Rs. 6,500.

The job engaged in the machines X- 200 hours, Y- 300 hours, Z- 200 hours. Office overhead are to be estimated @ 60% of Works cost.

The output of the Job has been 500 units, but 10% of the production has been rejected as not up to the mark for which 50% amount can be realised from the market.

Find out selling price per unit if 25% profit on sales is desired.

5

b) Briefly state the circumstances in which Flexible budgets are used.

5

c) A Chemical company provides the following information:

For producing 10 kg of a chemical, the standard material requirement is:

Material	Quantity (Kg)	Rate per Kg (Rs)
EXE	8	6
WYE	4	4

During the month of April, 2022, 500 Kg of the chemical were produced. The actual consumption of material was as under:

Material	Quantity (Kg)	Rate per Kg (Rs)
EXE	380	7
WYE	250	5

Calculate: i) Material Price Variance, ii) Material Cost Variance, iii) Material Usage Variance, 5

d) During the month of March, 2022, following transactions took place in Sital Ltd. You are required to enter the transactions in the cost books:

Materials purchased on credit Rs. 1,62,000

Materials purchased on credit for a special job Rs. 5,000

Materials purchased for cash Rs. 10,000

Direct materials issued to Production Rs. 1,48,700

Return to suppliers Rs. 2,500

Indirect materials issued Rs. 4,300

Wages paid to Direct labour Rs. 45,000 and to administrative staff Rs. 8,000

Materials lost by fire in stores Rs. 2,800. 5

e) The following information is extracted from the books of a contractor for the year ended 31.12.2021:

Contract price Rs 5,00,000, Plant at Site on 31.12.2021 Rs. 75,000 ( rate of depreciation is 20% p.a.), Cost of portion of work completed Rs. 2,62,000, Cost of portion of work certified Rs. 2,46,000, Payment received on work certified Rs.3,31,500, Retention: 15% of work certified.

Contractor estimates that the further expenditure will be required to complete the work in next two months:

Materials Rs. 35,000, Wages Rs. 22,000, Overheads (excluding depreciation) Rs. 10,500.

Calculate the portion of accounting profit may be taken to the credit of General Profit and Loss Account on 31.12.2021. 5

f) What do you mean by Batch Costing? How Economic Batch Quantity is Determined? 2+3

**3. Answer any ONE of the following questions:**

**10 X1=10**

নীচের যে কোন একটি প্রশ্নের উত্তর দাও

a) i] State the reasons for difference in profits between the Cost and Financial Accounts.

ii] How will you deal with under or over valuation of stocks in Cost Accounts while preparing Reconciliation Statement? 7+3

b) Green Star Ltd. Produces a product through three processes X, Y and Z. 15,000 units were introduced in Process X @ Rs.3 per unit. From the following details, prepare Process Accounts and Normal Los Account.

Particulars	Process X	Process Y	Process Z
Additional Material ( Rs.)	-	20,000	10,000
Direct Labour (Rs.)	12,500	15,000	16,000
Factory Overhead (Rs.)	12,000	13,500	18,500
Output (Units)	14,000	13,200	12,500
Scrap	4%	5%	4%
Loss by evaporation	2%	1%	1%
Scrap value per unit (Rs)	1.50	2	3

There was no opening or closing Stock or Work-in –Progress in any process.

10

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