Seat No:

PARUL UNIVERSITY FACULTY OF COMMERCE B.Com.(Hons) Winter 2019-20 Examination

Semester: 4 Date: 21/11/2019 Subject Code: 16100252 Time: 2.00 pm to 4.30 pm Subject Name: Cost Accounting - II **Total Marks: 60 Instructions:** 1. All questions are compulsory. 2. Figures to the right indicate full marks. 3. Make suitable assumptions wherever necessary. 4. Start new question on new page. **O.1** Do as directed. A) Multiple choice type questions. (Each of one mark) (06)1. Objectives of cost Accounting are to(1)ascertain cost & (2)Control cost. a) (1) is false &(2) is true b) Both (1) and (2) are true c) Both (1) and (2) are false d) (1) Is true and(2) is False 2. The process of grouping the costs according to some common Characteristic is known as a) Primary Distribution b) Secondary distribution c) Classification of cost d) Absorption of cost 3.Cost accounting includes all of the following except a) Profit sharing b) Controlling c) Product costing d) Planning 4. The summation of indirect Material, Indirect Labor, & Indirect expenses is known a) Prime cost b) Overheads c) Conversion cost d) All (A), (B) & (c)5. PP Ltd, requires 9600 units of a certain material annually. This material is Purchased from X Ltd., at Rs .50 Per unit. The cost of placing an order Rs 60 and the annual caring cost is Rs.5 per unit. Find out EOQ a) Rs.480 b) 840 units c) 480 units d) Rs.840 6. The summation of direct Material, direct Labor, & direct expenses is known as a) Direct Cost b) Fixed cost c) Overheads d) Factory cost (06) **B)** Define the following terms. (Each of one mark) 1.Service costing 2.Variable Cost 3.Fixed cost 4.Semi variable cost 5.wastage in Recover 6.EOO Q.2 Numerical / Short Note Questions. (Each of 04 mark) (12)

1. A contractor has to supply 10,00 paper cones per day to a textile mill. He finds that when he starts a production run, he can produce 25000, Paper cones per day. The cost of holding a paper cone in stock for 1 year is 2 Paisa & the setting-up cost of a production run is Rs18.How Frequently should production runs be made?

2.Job Costing v/s Batch costing.

3.Define cost? Meaning of Costing, & Definition.

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Q.3 Answer the following. (Any Three)

1 The followin	g information is given in respect of Process a.		
Material	1,000kgs @Rs6 per kg		
Labor	Rs5,000		
Direct expensesRs1,000			
Indirect expense	es allocated to process Rs1,000		
Normal Wastag	ge 10% of input		
Prepare proces	s A account When:		
(a) Scrap value	e of Normal loss is nil:		
(b) Scrap arisin	ng out of normal has a sale value of Rs 21 per unit.		
(c)			
2. Process cost	ing V/s Job Costing.		

3. Methods & Needs Of Reconciliation?

4. From The following Figures, Prepare a Reconciliation Statement:	
Ne t profit as per financial books	63780
Net profit as per closing stock	66,760
Factory overheads under –recovered in costing	5700
Administration overheads recovered in costing	4250
Depreciation charged in financial books	3660
Depreciation Recover in costing	3950
Interest received but not included in costing	450
Income –tax provided in financial books	600
Bank interest credited in financial books	230
Stores adjustment (credited in Financial books)	420
Depreciation of stock charged in financial account	860
Dividends appropriate in financial account	1200
Loss due to theft & pilferage provided only in Financial books	

Q.4 Answer the following. (Any two)

1. A factory uses job costing. The following data are obtained from its books for the year ended 31 December 2011:

	Rs.		Rs.	
Direct Materials	90,000	Selling & Distribution overheads	52,500	
Direct Wages	75,000	Administration overheads	42,000	
Profit	60,900	Factory overheads	45,000	

- (a) Prepare a job cost sheet indicating the prime cost, Works cost, Production cost, cost of sales and the sales value.
- (b) In2012,the factory received an order for a number of jobs. it is estimated that direct materials required will be Rs 1,20,000 and direct labor will cost Rs75,000.What should be the price for these jobs if factory intends to earn the same rate of profit on sales assuming that selling & distribution overheads have gone up 15% ?The factory recovers factory overheads as a Percentage of direct wages & administration & Selling & Distribution overheads as a percentage of work cost, based on cost rates prevailing in the previous year.

2. Define process costing Discuss Normal & Abnormal loss with given example.

3. Characteristics of Process costing?

(18)