Roll No. [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] **Total No. of Pages : 02**

Total No. of Questions : 09

B.Com. (Hons.) (Sem.–2)

COST ACCOUNTING

Subject Code : BCOM-201-18

M.Code : 75828

Date of Examinaton: 17-11-2023

Time : 3 Hrs. **Max. Marks : 60**

INSTRUCTIONS TO CANDIDATES :

1. **SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.**
2. **SECTION-B consists of FOUR Sub-sections : Units-I, II, III & IV.**
3. **Each Sub-section contains TWO questions each, carrying TEN marks each.**
4. **Student has to attempt any ONE question from each Sub-section.**

SECTION-A

1. **Write short note on the following in 2 – 5 lines :**

   a) Explain three limitations of management accounting.

   b) What is break-even-point?

   c) How fixed cost differ from variable cost ?

   d) Define material cost.

   e) Discuss in detail benefits of marginal costing.

   f) Define absorption cost.

   g) Discuss the significance of sunk cost.

   h) What do you mean by process costing ?

   i) Define backflush costing.

   j) Define target costing.

SECTION-B

UNIT-I

2. Define cost accounting. Discuss in detail objectives, advantages and disadvantages of cost accounting. How to prepare cost sheet, explain with the help of example.

3. Discuss in detail how effective system of cost accounting can be designed and installed?

UNIT- II

4. Define overhead. Discuss in detail classification, absorption and apportionment of overheads.

5. With the help of example methods discuss of wage payment in detail.

UNIT-III

6. What do you mean by reconciliation of cost and financial accounts? Discuss in detail need for reconciliation of cost and financial accounts and problems in preparation of reconciliation statements.

7. A Company producing two products X and Y faces the problem of labour shortage. Maximum labour hours available in a month are 10,000 hours. The following other information is available :

Product X (Rs)	**Product Y(Rs)**	
Material Cost	6.00	6.00
Direct Labour Cost		
10 hours @ Re 1.00	10.00	
5 hours @ Re 1.00	5.00	
Variable Overheads	4.00	2.00
Fixed overheads	5,000	5,000
Selling price	30.00	20.00

Show which product is more profitable. Give proof in support of your answer.

UNIT-IV

8. Discuss in detail methods of computing target costing and relevance QFD tool and survival zone for target costing and life cycle costing. What are the challenges of determining the target price and reducing selling cost faced by the organizations in the era of globalization?

9. The following data is available for the accounting year 31st march 2011.

Purchase of material and consumption	Rs 23,00,000
Conversion cost	Rs 12,50,000
Production	50,000 units
Sales	49,000 units

The standard cost of unit of output is Rs.70 (Rs 45 material, Rs 25 Conversion cost) There is no opening stock and for simplicity that there is no variation from standard cost Required : prepare all the account using back flush accounting system with Variant A,B and C.

NOTE : Disclosure of identity by writing mobile number or making passing request on any page of Answer sheet will lead to UMC case against the Student.