

Roll No



**PRESIDENCY UNIVERSITY
BENGALURU**

**SCHOOL OF LAW
MID TERM EXAMINATION - APR 2023**

Semester : Semester II - 2022 -23 - BCL - 2022
Course Code : BCL2009
Course Name : Sem II - BCL2009 - Cost Accounting
Program : B.Com LLB Honors

Date : 15-APR-2023
Time : 2:00PM - 3:30PM
Max Marks : 50
Weightage : 25%

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 1 part.
- (iii) Scientific and non-programmable calculator are permitted.
- (iv) Do not write any information on the question paper other than Roll Number.

ANSWER ALL THE QUESTIONS

(5 X 10 = 50M)

1. Answer the following questions:

- a) What do you understand by cost accounting?
- b) Explain any two advantages of cost accounting.
- c) What is the main difference between direct expenses and indirect expenses?
- d) What is carriage inward?
- e) Supervisors wages comes under which head of cost sheet?

(CO1) [Comprehension]

2. Following transactions occur in the purchase and issue of a material:

- Mar 1 Opening balance - 500 units @ Rs. 4
- Mar 5 Purchased - 200 units @ Rs. 4.25
- Mar 12 Purchased - 150 units @ Rs.4.10
- Mar 20 Purchased - 300 units @ Rs.4.50
- Mar 25 Purchased - 400 units @ Rs. 4
- Mar 4 Issued - 200 Units
- Mar 10 Issued - 400 Units
- Mar 15 Issued - 100 Units
- Mar 19 Issued - 100 Units
- Mar 26 Issued - 200 Units
- Mar 30 Issued - 250 Units

Issues are to be priced on the principle of "First In First Out". Prepare stores ledger account in respect of the materials for the month of March 2023.

(CO2) [Comprehension]

3. A manufacturer presents the following details about the various expenses incurred by it.
- Raw material consumed 70000
 - Carriage inward 2000
 - Factory rent 2400
 - Bad debts 440
 - Power 4600
 - Postage expenses 465
 - Salesman expenses 3400
 - Direct wages 85000
 - Factory manager salary 80000
 - Audit fee 350
 - Printing & stationery 620
 - Legal expenses 350
 - Carriage outwards 1540
 - Indirect material 560
 - Depreciation of furniture 150
 - Repairs on plant & machinery 1200
 - Advertisement 500
 - General manager salary 36000
 - Depreciation of plant & machinery 1240
- Classify the above expenses under various elements of cost showing separately the total expenditure under each element by making a cost sheet.

(CO1) [Comprehension]

4. Explain the following techniques of Inventory control.
- a) ABC Technique
 - b) EOQ Technique with formula and example

(CO2) [Comprehension]

5. In a manufacturing company a material is used and the following details are given below:
- a. Minimum stock level 2250 units
 - b. Average stock level 4550 units
 - c. Minimum consumption 800 units per month
 - d. Maximum consumption 1500 units per month
 - e. Delivery period minimum 2 months, maximum 4 months.
- Calculate a) Re-order level b) Re-order quantity c) Maximum stock

(CO2) [Application]