

**WEST BENGAL STATE UNIVERSITY**

B.Com. Honours Part-I Examination, 2021

COST AND MANAGEMENT ACCOUNTING**PAPER: CMAA-I**

Time Allotted: 2 Hours

Full Marks: 50

*The figures in the margin indicate full marks.**Candidates should answer in their own words and adhere to the word limit as practicable.***Answer Question No. 6 and any *one* question from Question No. 1 to 5****MODULE-I****Marks-30**

1. (a) What are the importances of Cost Accounting to business concern? 6
 ব্যবসায়িক প্রতিষ্ঠানের কাছে পরিব্যয় হিসাবনিকাশকরণের গুরুত্বগুলি কি কি ?
- (b) What are the differences between Cost Accounting and Management Accounting? 6
 পরিব্যয় হিসাবনিকাশকরণ এবং ব্যবস্থাপনা হিসাবনিকাশকরণের মধ্যে পার্থক্যগুলি কি কি ?
2. (a) From the following particulars, calculate 2×3
 (i) Reordering level, (ii) Minimum level and (iii) Maximum level:
 Normal usage 1,000 units per day,
 Minimum usage 600 units per day,
 Maximum usage 1,300 units per day,
 Reorder quantity 50,000 units and
 Delivery period 24 to 30 days
- (b) Write short note on: 3×2
 টীকা লেখোঃ
 (i) Bill of Materials / কাঁচামালের তালিকা
 (ii) Store Ledger / মজুত পণ্যের খতিয়ান
3. (a) Distinguish between FIFO and LIFO Method. 4
 FIFO এবং LIFO পদ্ধতির মধ্যে পার্থক্য নিরূপণ করো।
- (b) From the following particulars prepare a stores ledger under LIFO method for July, 2018. 8

2018

July	1. Opening Balance	500 pcs @ Rs. 2.00
	3. Issue	70 „
	4. Issue	10 „
	7. Receipt (from suppliers)	200 „ @ Rs. 2.10
	9. Return (from department) from issue dated 3.7.18	20 „
	10. Shortage found	10 „
	13. Issue	70 „
	14. Receipt (from suppliers)	100 „ @ Rs. 2.20
	18. Issue	300 „
	26. Receipt (from suppliers)	50 „ @ Rs. 2.00
	30. Issue	60 „

4. A manufacturer has introduced a bonus system of wage payment at a slab rate based on cost reduction towards labour and overheads, the slab rate being: 12

Upto	10% saving	5% of the earning
Upto	20% „	15% „ „ „
Upto	40% „	30% „ „ „
Upto	70% „	40% „ „ „
Above	70% „	50% „ „ „

Worker	Ram	Rahim	John
Hourly rate	Rs. 25.00	Rs. 25.00	Rs. 25.00
Time taken to produce 100 units (in hours)	26	30	20

The standard cost towards wage and overhead per unit is Rs. 12.00 and overhead recovery rate is 500% on wages. Calculate earnings for each worker separately.

5. (a) The standard time for a job is 75 hours with a guaranteed hourly wages of Rs. 2. Due to saving in time, a worker under Halsey plan (50%) is getting effective wage of Rs. 2.67 per hour. Another worker has taken the same time to complete the above task, but for him Rowan plan is in force. How much he will earn under Rowan plan? 8

- (b) What is idle time? What are its causes? 4
অলস সময় কি? ইহার কারণগুলি কি কি?

6. A machine shop has 8 identical machines operated by 6 workers, without them the machines will not run. Cost of each machine is Rs. 1,00,000. The particulars provided for the six-month period are as follows: For each operator; normal available hours in a month 208, absence (without pay) 18 hours and leave (with half pay) 20 hours, unavoidable idle time 10 hours. 18

Average rate of wages in a day of 8 hours is Rs. 80. Bonus 10% of wages. Power consumed Rs. 8,050, Supervision Rs. 3,300. General expenses Rs. 12,000, other works expense Rs. 54,500, Lighting Rs. 1,200 and Insurance Rs. 40,000. Repairs is 5% of the original cost of the machine. Depreciation is @ 10% on original cost. Calculate Composite/Comprehensive Machine Hour Rate for the shop.

OR/অথবা

What do you mean by over-absorption and under-absorption of overhead? State the causes of over-absorption and under-absorption of overhead. Explain how over-absorption and under-absorption is treated in Cost Accounts.

4+4+10

উপরিব্যয়ের অধি আত্মীকরণ ও স্বল্প আত্মীকরণ বলতে কি বোঝো? অধি ও স্বল্প আত্মীকরণের কারণগুলি কি কি? পরিব্যয় হিসাবে এইরূপ অধি ও স্বল্প আত্মীকরণ কিভাবে প্রদর্শিত হয়?

Answer any *two* questions from question no. 7 to 16

MODULE-II

Marks-20

7. What is meant by Control Accounts kept in Cost Ledger? What are the utilities of keeping these accounts?

4+6

পরিব্যয় খতিয়ানে রক্ষিত নিয়ন্ত্রণমূলক বলতে কি বোঝায়? এই হিসাবগুলি রাখার উপযোগিতা কি?

8. From the following information, prepare a statement of reconciliation

10

Rs.

(i) Profit as per Cost Accounts	1,60,000
(ii) Interest on investment	10,000
(iii) Income tax provided	48,000
(iv) Loss due to obsolescence	6,800
(v) Bank Interest	1,250
(vi) Share transfer fees received	6,750
(vii) Depreciation charged in financial accounts	18,650
(viii) Depreciation charged in cost accounts	21,250
(ix) Works overhead under recovered in cost accounts	3,540

9. A contractor closes his accounts on 31st March every year. A contract (No. 888) started on 1.4.2018. The cost records reveal the following for the year ended 31.3.2019:

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Materials charged out to site Rs. 2,51,000. Labour charges Rs. 5,65,000. A machine costing Rs. 2,60,000 has been on the site for 146 days. Its working life is estimated to be 7 years with a scrap value of Rs. 15,000. A supervisor whose salary is Rs. 20,000 per month devotes his time equally between this contract and another one. Administrative charges for the period is Rs. 1,36,500. Materials in hand at site is Rs. 35,400 (on 31.03.2019). The contract value is Rs. 20,00,000. On 31.03.2019, 90% of the contract is complete (as per contractor's accounts).

The contractee's architect issued completion certificate covering 85% of the contract price and the Contractor was paid after deducting 25% as retention.

Prepare Contract A/c for the year ended 31.03.2019.

10. Write short notes on: 5×2 = 10

টীকা লেখোঃ

- (i) Batch Costing / গুচ্ছ পরিব্যয় নির্ণয় পদ্ধতি
(ii) Operating Costing / ক্রিয়াকরণ পরিব্যয় নির্ণয় পদ্ধতি

11. A product passes through two processes A and B. Prepare the process accounts from the following: 10

	Process A	Process B
10,000 units introduced at cost (Rs.)	20,000	—
Materials consumed (Rs.)	24,000	12,000
Direct Labour (Rs.)	28,000	16,000
Manufacturing Expenses (Rs.)	8,000	8,566
	A	B
Normal wastage on input	5%	10%
Scrap value of normal wastage (Rs.)	40 per 100 units	50 per units
Output (units)	9400	8500

Also prepare Abnormal Loss/Gain A/c as the case may be.

12. Compare and contrast Job Costing with Process Costing. 10
কার্যভিত্তিক পরিব্যয় নির্ণয় পদ্ধতি ও প্রক্রিয়া পরিব্যয় নির্ণয় পদ্ধতির মধ্যে তুলনা করো ও বৈপরিত্য দেখাও।

13. The sales turnover and profit during two years were as follows: 10

Year	Sales (Rs.)	Profit (Rs.)
2017	1,50,000	20,000
2018	1,70,000	25,000

Calculate: (a) P/V ratio; (b) Break-even point; (c) Fixed cost and (d) Profit when sales are Rs. 2,50,000.

14. Draw a Break-Even chart with a few imaginary figures. 10
কাল্পনিক সংখ্যা দ্বারা একটি আয়-ব্যয় সমতুল্য চিত্র অঙ্কন করো।

15. From the following information of Modern Ltd. prepare a Cash Budget for three months commencing from 1st January, 2019.

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Month	Sales Rs.	Purchases Rs.	Wages Rs.	Expenses Rs.
November 2018	25,000	5,000	10,000	2,000
December 2018	30,000	10,000	10,000	2,000
January 2019	20,000	15,000	11,000	2,500
February 2019	25,000	10,000	11,000	2,500
March 2019	30,000	5,000	12,000	2,500

Other information:

- (a) 10% of sales and purchases are on cash basis and balance are on credit basis.
- (b) **Credit to debtors:**
1 month; on an average 50% of debtors will make payments on the due date while the rest will make payment one month later.
- (c) **Credit from creditors:**
2 months; 10% cash discount will be received if payment is made within one month and it is estimated that for 50% of purchases, advantage of cash discount will be taken.
- (d) Wages to be paid twice in equal installments per month on the 1st and 16th of each month.
- (e) Expenses are paid generally within the month.
- (f) Cash balance on 1st January, 2019 Rs. 10,000.

16. The standard quantity and standard price of raw material required for one unit of product A are given below:

10

Material	Quantity (kg)	Price (Rs.)
M ₁	2	3
M ₂	4	2

The actual production and relevant data for 500 units of 'A' are as follows:

Material	Quantity (kg)	Price (Rs.)
M ₁	1100	3410
M ₂	1800	3960

Calculate all possible material variances.

N.B. : Students have to complete submission of their Answer Scripts through E-mail / Whatsapp to their own respective colleges on the same day / date of examination within 1 hour after end of exam. University / College authorities will not be held responsible for wrong submission (at in proper address). Students are strongly advised not to submit multiple copies of the same answer script.

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