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Total No. of Pages : 02

Total No. of Questions : 08

**B.Com (Honours) (Sem.-2)**  
**COST ACCOUNTING**  
Subject Code : BCOM-201-18  
M.Code : 75828  
Date of Examination : 09-07-21

Time : 2 Hrs.

Max. Marks : 60

**INSTRUCTIONS TO CANDIDATES :**

1. Attempt any FIVE question(s), each question carries 12 marks.

1. Cost accounting generates information so as to keep a check on operations, with an aim of maximizing the profit and efficiency of the concern. Conversely, financial accounting ascertains the financial results, for the accounting period and the position of the assets and liabilities on the last day of the period. There is no comparison between these two because they are equally important for the users. Justify if there is any difference between cost and financial accounting or not.
2. 'There is no activity without its ability to apply cost accounting to it because all activities can be applied to cost accounting'. Please explain the statement.
3. The costing method calculates overhead as a function of specific activities. Please explain that method in detail.
4. The components A and B are used as follows:  
  
Normal usage : 300 units per week each  
  
Maximum usage : 450 units per week each  
  
Minimum usage : 150 units per week each  
  
Reorder Quantity : A - 2,400 units; B - 3,600 units.  
  
Reorder Period : A - 4 to 6 weeks, B - 2 to 4 weeks.  
  
Calculate for each component:  
  
(a) Re-order Level (b) Minimum Level (c) Maximum Level (d) Average Stock Level.

5. A worker under the Halsey method of remuneration has a day rate of ₹ 12 per week of 48 hours, plus a cost of living bonus of 10 p. per hour worked. He is given 8 hours task to perform, which he performs in 6 hours, he is allowed 30% of the time saved as a premium bonus. What would be his earnings under Halsey Plan and Rowan Plan?
6. '*A budget is a means and budgetary control is the end result*'. Do you agree with this statement? Give explanation.
7. Briefly describe two ways of dealing with the problem of apportioning service department costs among service departments which, in addition to do work for the main operational departments, also serve one another.
8. Where no separate accounts are maintained for costing and finance, the question of reconciliation does not arise. But where the cost and financial accounts are maintained independently of each other, it is indispensable to reconcile them. Though both the sets of accounts are the same as far as the basic transactions are concerned there are differences in the profits of the two sets of books. Briefly explain the reasons for the difference in profits of cost and financial accounts.

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