

**ST. JOSEPH'S COLLEGE OF LAW**

#18, Residency Road, Bengaluru – 560025

**Internal Assessment Examinations - March 2022**

**Subject: Cost Accounting**

**Class: II B.com LLB**

**Max Marks: 10**



**Time: 1 Hr**

**Instructions:**

1. Answer any one essay type question from Part A and any one short note question from Part B.
2. Essay type question carries 6 marks and the short note question carries 4 marks.

**Part A**

**6 x 1= 06**

1. Explain the steps in material purchase procedure?

Or

2. From the following particulars, prepare a cost statement:

	Rs.
Stock ,1-1-2020: Raw materials	30,500
Finished goods	20,400
Stock 31-03-2021: Raw materials	48,500
Finished goods	10,000
Purchase of raw materials	25,000
Work-in-progress 1-1-2020	8,000
Work in progress 31-03-2021	9,000
Sales	95,000
Direct wages	20,400
Income Tax	13,500
Factory expenses	10,500
Office expenses	5,400
Dividend	7,500
Selling expenses	3,800
Distribution expenses	2,500.

Also Calculate the percentage of Factory expenses to direct wages and the percentage of office expenses to works/Factory cost.

**Part B**

**4 x1=04**

1. What is Cost Accounting and explain its objectives?
2. A company uses 2,500 units of a material per month. cost of placing an order is Rs 150. The cost per unit is Rs 20. The re order period is 4 to 8 weeks. The maximum consumption of raw material is 100 units whereas the average consumption is 275 units. The carrying cost of inventory is 20% per annum.  
Calculate (1) Re-order quality/EOQ and (2) Re order level.