

**A STUDY ON COST SHEET ANALYSIS  
WITH REFERENCE TO JOCIL PVT LTD**

**Student Project work sponsored by Hindu College Management**

**By**

**BHANDHAVIRAMAM VINOD KUMAR**

**PASUPULETI MANOJ KUMAR**

**GOPAVARAPU ADITYA SUMANTH**

**II B.COM COMPUTERS**

**DEPARTMENT OF COMMERCE**

**HINDU COLLEGE - GUNUTR**



**Project Guide**

**Mr.K.Rambabu**

**Lecturer, Department of Commerce**

**Hindu College, Guntur**

**Submitted to**

**The Research Committee**

**HINDU COLLEGE - GUNTUR**

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## DECLARATION

The project work entitled "A STUDY ON COST SHEET ANALYSIS" has been carried out by us with reference to JOCIL Pvt.Ltd. This work is original and has not been submitted for any University.

*B. Vinod kumar*

BHANDHAVIRAMAM VINOD KUMAR

(Y207028005)

*Gr. Aditya Sumanth*

GOPAVARAPU ADITYA SUMANTH

(Y207028016)

*P. Manoj kumar*

PASUPULETI MANOJ KUMAR

(Y207028055)

# HINDU COLLEGE, GUNTUR – 522 003

(Re-accredited by NAAC as Grade 'A' with CGPA 3.07)

Main Road, Opp. Sri Venkateswara Vignan Mandir, Guntur

## DEPARTMENT OF COMMERCE – B.COM COMPUTERS



This is certifying that project titled "A study on COST SHEET ANALYSIS WITH SPECIAL REFERENCE JOCIL Pvt.Ltd" By BHANDHAVIRAMAM VINOD KUMAR (Y207028005), submitted is of his original project work done under the guidance of Mr.K.Rambabu Commerce department for the fulfillment of the requirements for the award of the degree of Bachelor of Commerce (B.Com Computers). It does not form part of any projects submitted to this university or any other universities.

*K. Rambabu*  
Project Guide

*P. Sathish Kumar*  
Head of the Department

Head of the  
Department of Commerce  
Hindu College, Guntur.

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*K. Rambabu*  
Project Guide

*P. Sathya Lakshmi*  
Head of the Department

Head of the  
Department of Commerce  
Hindu College, Guntur.

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*K. Rambabu*  
Project Guide

*I. Sathilatha*  
Head of the Department  
Head of the  
Department of Commerce  
Hindu College, Guntur.

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*B. Vinod Kumar*

BHANDHAVIRAMAM VINOD KUMAR

(Y207028005)

*G. Aditya Sumanth*

GOPAVARAPU ADITYA SUMANTH

(Y207028016)

*P. Manoj Kumar*

PASUPULETI MANOJ KUMAR

(Y207028055)



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## INTRODUCTION

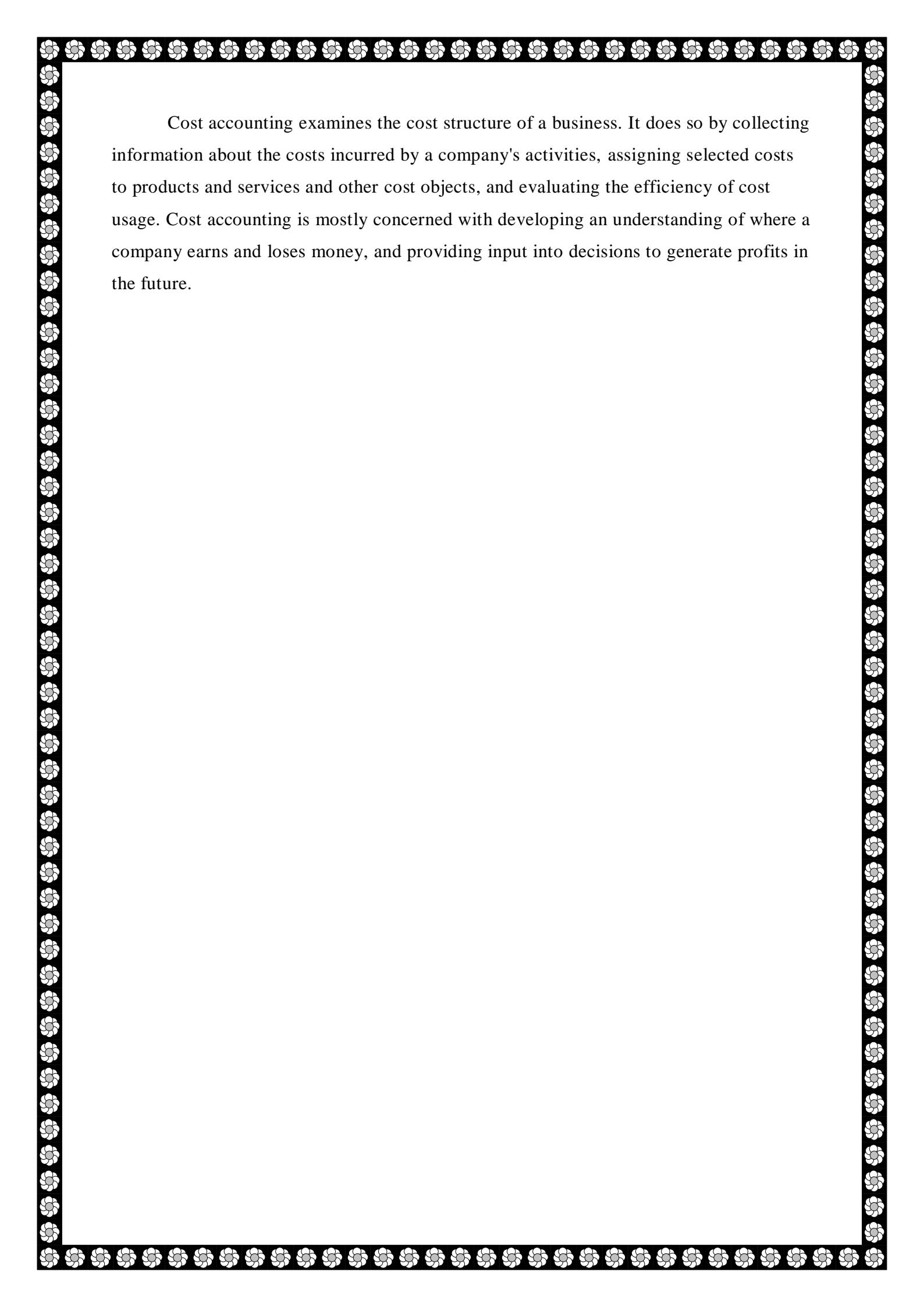
Cost sheet is a statement prepared to show the various elements of costs, like prime cost, factory cost of production and total cost. It is prepared at regular intervals, for example, weekly, monthly quarterly, yearly, etc. In some cases comparative figures of various periods are also shown in the cost sheet so that assessment can be made about the progress of a business. Cost sheet is a statement of cost showing cost per unit of any product at every level of production. It is important to know at what stage of production we are and what price the particular production stage has. Cost sheet is a statement of cost. In other words, when costing information is set out in the form of a statement it is called a cost sheet. It is usually adopted when only one product is produced and all costs are incurred for that product only. Cost sheet may be prepared for a week, for a month, quarterly or yearly indicating various components of cost such as prime cost, works cost, cost of production, cost of goods sold, total cost and also profitability of production.

'COST' represents a sacrifice of values, a foregoing or a release of something of value. It is the price of economic resources used as a result of producing or doing the thing costed. It is the amount of expenditure incurred on a given thing. Cost has been defined as the amount measured in money or cash expended or other property transferred, capital stock issued, services performed or a liability incurred in consideration of goods or services received or to be received. By cost, we mean the actual cost i.e. historical cost. ICWA (UK) defines cost as the amount of expenditure (actual or notional) incurred on, or attributable to a specified thing or activity. The object for which the cost is to be determined can be a product or service

Cost accounting is the process of recording, classifying, analyzing, summarizing, and allocating various alternative courses of action for the control of costs. Its goal is to advise the management on the most appropriate course of action based on the cost efficiency and capability. Cost accounting provides the detailed cost information that management needs to control current operations and plan for the future.

Since managers are making decisions only for their own organization, there is no need for the information to be comparable to similar information from other organizations. Instead, information must be relevant for a particular environment. Cost accounting information is commonly used in financial accounting information, but its primary function is for use by managers to facilitate making decisions.





Cost accounting examines the cost structure of a business. It does so by collecting information about the costs incurred by a company's activities, assigning selected costs to products and services and other cost objects, and evaluating the efficiency of cost usage. Cost accounting is mostly concerned with developing an understanding of where a company earns and loses money, and providing input into decisions to generate profits in the future.



## **NEED FOR THE STUDY**

It is essential to prepare a cost sheet for determining the individual costs which lead to determining the cost of the product or service. Once you know your total cost, add the margin or the profit percentage to the total cost in order to arrive at the selling price

## **OBJECTIVE OF STUDY**

- To understand of cost sheet and cost ascertainment.
- To study employee opinion towards prime cost and total cost in Jocil Pvt Ltd.
- To know the cost of control and profit.
- To know the recent trends identified Jocil Pvt Ltd in cost sheet.
- To study various segment of cost sheet being conducted in organization. To identify the areas for improvement and suggest corrective measures.

## **SCOPE OF THE STUDY**

- The covers the cost sheet aspects of cost accounting.
- The study is undertaken with respect to middle and low level employees.
- Information gathered from only lower and middle level employers.
- The present study is made only on the cost sheet in the Organization.
- Data analysis is done totally based on the information collected from the primary data through investigation and mailing the information.

## **RESEARCH METHODOLOGY**

The total required for the study for the study has been collected by using the methodology of categorizing it in two ways viz., primary data and secondary data. Data collection was made in systematic manner, as follows:

### **COLLECTION OF DATA**

The following is the methodology of the study. The collection of data is done in two principle sources. They are as follows:

1. Primary data.
2. Secondary data

### **PRIMARY DATA**

The primary data needed for the study is gathered through interview with concerned officers and staff, either individually or collectively. Some of the information has been verified or supplemented with personal observation conduct.

### **SECONDARY DATA**

The secondary data needed for the study was collected from published sources such as pamphlets of annual reports, returns and internal records, reference from text book and journals of financial management.

The data is collected from:

- Annual reports.
- Audit reports.
- Different books.
- Company's website

## **LIMITATIONS OF THE STUDY**

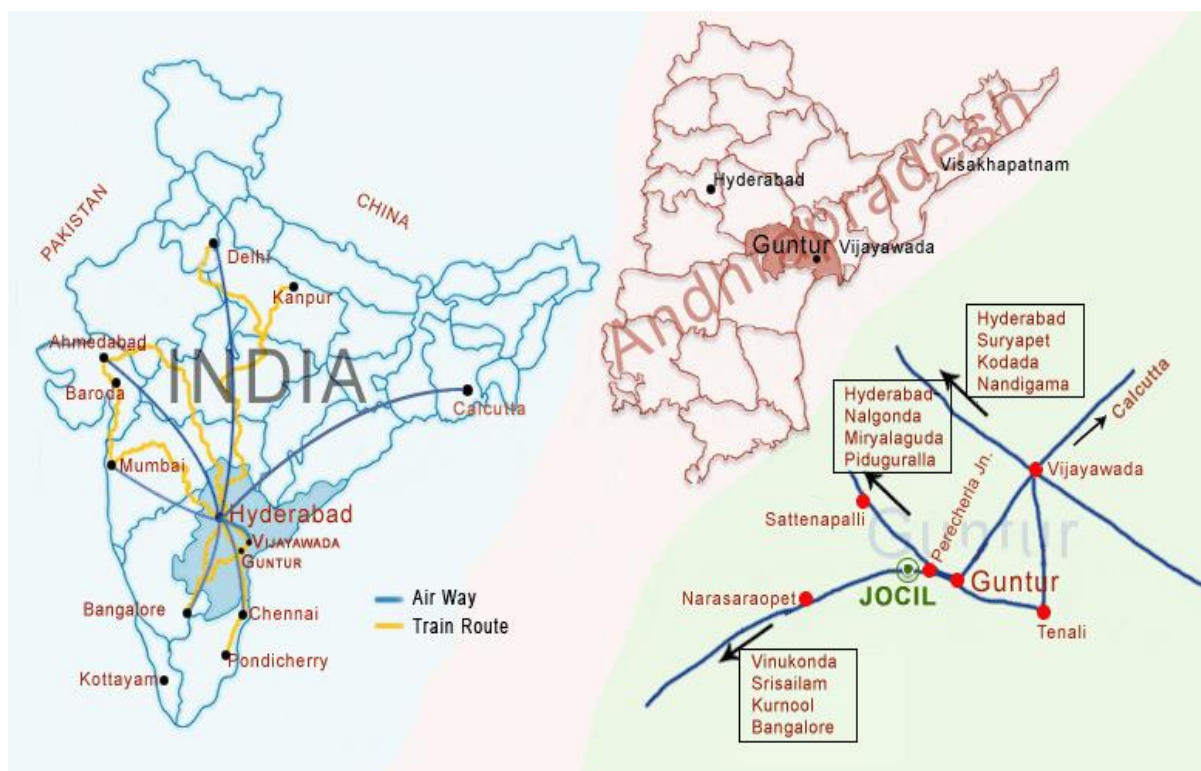
- The cost of previous year is not same in the succeeding year. Hence cost data are not highly useful. Lack of uniformity
- Conceptual diversity
- Costly
- Lack of double entry systems
- The statements contain only information that can be measured in monetary units.

## COMPANY PROFILE

The company was incorporated on 20<sup>th</sup> February, 1978 as per the certificate of incorporation no.2260 granted by the register of companies, A.P., Hyderabad under the name and style of ‘‘ ANDHRA PRADESH OIL AND CHEMICAL INDUSTRIES LIMITED’’. The unit was promoted as public limited company in joint venture by the Andhra Pradesh industrial development corporation limited;(APIDC) and jaya lakshmi cotton and oil products private limited; (JCOP) a company belongs to jaya lakshmi group.

During the year 1982, the share stock of APIDC in the company has been reduced consequently the name of the company has changed to ‘‘JAYALAKSHMI OIL AND CHEMICAL INDUSTRIES LIMITED’’(JOCIL) on 12<sup>th</sup> April, 1982 as per the fresh certificate of incorporation granted by the register of companies. Again during the year 1988, the major share holding of the company has been acquired by the Andhra sugars major share holding of the company has become a subsidiary unit of the Andhra sugar limited effective from 27<sup>th</sup> October, 1988. Later on avail the benefits of the well noted brand name ‘‘JOCIL LIMITED’’ effectively from 17<sup>th</sup> September, 1992 as per the fresh certificate of incorporation granted by the register of companies, A.P Hyderabad.

As such the present name of the company is ‘‘**JOCIL LIMITED**’’



## **HISTORY OF THE COMPANY:-**

- A public limited company incorporated in February 20<sup>th</sup>, 1978 as Andhra Pradesh oil and chemical industries lid.
- Listed in madras and Hyderabad stock exchange in India.
- Renamed as “jayalakshmi oil and chemical industries limited” in 1982.
- Become a subsidiary of the Andhra sugars ltd (ASL) on 27<sup>th</sup> October 1988.
- ASL group of companies have diversified interests in sugar, chemicals such as caustic soda, acetic acid, industrial alcohol, sulfuric acid, aspirin etc., and also petrochemicals and textiles at various locations in Andhra Pradesh, India.
- ASL is also the sole supplier of rocket fuel (UDMH) to ISRO.
- Renamed once again as “jocil limited” in 1<sup>st</sup> September 1992.
- 25 years of experience in the field of manufacture of stearic acid flakes, fatty acids, toilet soap, soap noodles and glycerin.
- ISO 9001:2000 certification by DNV in year 2004.
- A 6 Mw biomass cogeneration power plant commissioned in 2001, to meet captive requirements of steam and power.
- Exports surplus power to APSPDCL (public utility Company).
- Continuous unbroken dividend paying record since 1988-1989.
- Celebrated silver jubilee in the year 2004.

## ***ORGANISATIONAL STRUCTURE OWNERSHIP AND MANAGEMENT***

### **BOARD OF DIRECTORS:**

Dr. Mullapudi Harischandra Prasad	Chairman
J. Murali Mohan	Managing Director
P. Narendranath Chowdary	Director
Mullapudi Thimmaraja	Director
Y.Narayanarao Chowdary	Director
V.S. Raju	Director
K. Srinivasa Rao	Director
M.Gopalakrishna	Director



Subbarao V.Tipirneni

Director

**The company polices are:-**

- Quality.
- Consumer safety.
- Health and environment.

**Company's philosophy:-**

- To be a successful profit making organization.
- To conduct its operations with honesty, integrity and transparency.
- To be the market leader in its field of operations through continual improvement in efficiency and quality of products and services.
- To serve society through industry.
- To care for the environment and the world in which we live.

**Objectives of jocil limited:-**

- To manufacture fatty acids and toilet soaps.
- Enhancing the annual licensed capacity of fatty acids, glycerin and toilet soap.

- The company implemented this letter by increasing installation capacity of fatty acids plant from 6205 M T. per annum to 15510 M.T with effect from February.
- 1991, this enhanced capacity come into operations.

#### **Main plant suppliers:-**

Ball ester ltd, Bombay in collaboration of bollestra, S.P.A, Milano (Italy) based on the technology of C.M.B.S.P.A, pomilia (Rome) have supplied the main plant and equipment viz., splitting plant, distillation plant, and hydrogenation plant. K.s Krishna associates pvt ltd. New Delhi has supplied the equipment for soap and glycerin plants.

#### **Expansion of the plant:-**

The unit has commenced commercial production during the year 1984 at the rated capacity of 15 tons per day. During the year 1983-84 the toilet soap plant and the fatty acid plant were expanded. So the capacity of the plants was increased to 15 tons per day and 20 tons per day respectively.

The following are the plants of the company:

- Fatty acid plant
  - a) Pre-treatment
  - b) Fat splitting
  - c) Fatty acid distillation
  - d) Hydrogenation
- Toilet soap plant
- Glycerin plant
- Oxygen plant
- Power plant

#### **Raw materials and products:-**

- Rice bran oil.

- Rice bran acid oil.
- Crude palm oil.
- Palm fatty acid distillate.
- Palm kernel oil.
- Coconut oil.
- acid Hydrogenated rice bran oil.
- Neem oil.

**Products:-**

- Fatty acids.
- Stearic acid.
- Distilled rice bran fatty acids.
- Oleic acid.
- Toilet soap noodles.
- Toilet soaps.
- Refines glycerin.
- Rice bran oil pitch.
- Fat splitting plant.
- Fatty acid distillation.
- Fatty acid hydrogenation plant.
- Electrolyses.
- Cell room.
- Oxygen plant.
- Faker section.
- Sweet water treatment.
- Sweet water evaporation.
- Glycerin distillation.
- D.M water plant.
- Degumming plant.
- Soap plant.
- Power plant.

## **Future prospects:-**

- 70% to 80% of the installed capacity of fatty acids is fully utilized in our country.
- There is scope for 100% usage of the installed capacity.
- A major reason behind this rate of consumption of fatty acid in India, compared to developed countries is that they have not yet achieved that level of sophistication in demand to utilize the versatile fatty acid derivatives.
- Prospects of fatty acids are found to be bright due to following additional reasons.
- Separation and purification of fat and oils is an important aspect of this fatty industry.
- Modern development in these lines has expanded the field of application of fatty acid to industries.

## **JOCIL LIMITED ACCOUNTING POLICIES:-**

### **1. GENERAL:-**

The accounts are prepared on historical cost convention and in accordance with normally accepted accounting standards.

### **2. Fixed assets:-**

Fixed assets are started at historical cost less accumulated depreciation.

### **3. Depreciation:-**

Depreciation is provided on the written down value method at the rates and in the manner specified in schedule 15 of the company act, 1956.

### **4. Investments:-**

Long term investments are started at the cost and income thereon are accounted for on accrual. Provision towards decline in the value of the long term investments is made only when such decline is other than temporary.

#### **5. Inventories:-**

Valuation of inventories are made as under

- I. Raw materials, work-in-process and finished goods at cost or net realizable value whichever is lower.
- II. Stores and spares at cost.

#### **6. Sales:-**

Sales are inclusive of excise duty, packing charges and sales tax.

#### **7. Research and development expenditure:-**

Revenue expend nature is charged to profit and loss account and capital expenditure is added to the cost of fixed assets in the year in which it is incurred.

#### **Marketable securities:-**

Jocil limited is not holding any sort of marketable securities instead of investing in marketable securities it is holding some field posits which yield an interest amount @ 10% p.a. if any need of cash is faced these deposits can be easily transfer to cash with a cost of 1% of the amount

The current account deposits show in the table are those that are the credit balance with the sales account. These will instantly transfer to the main branch overdraft account, the current accounts will not yield any interest so this is transferred to the overdraft account where there is debit balance.

#### **Functions of jocil limited:-**

1. To produce, manufacture, refine, process import, sell and generally to deal in all kinds of fatty and soaps and in connection there with the construction of factories and workshop.

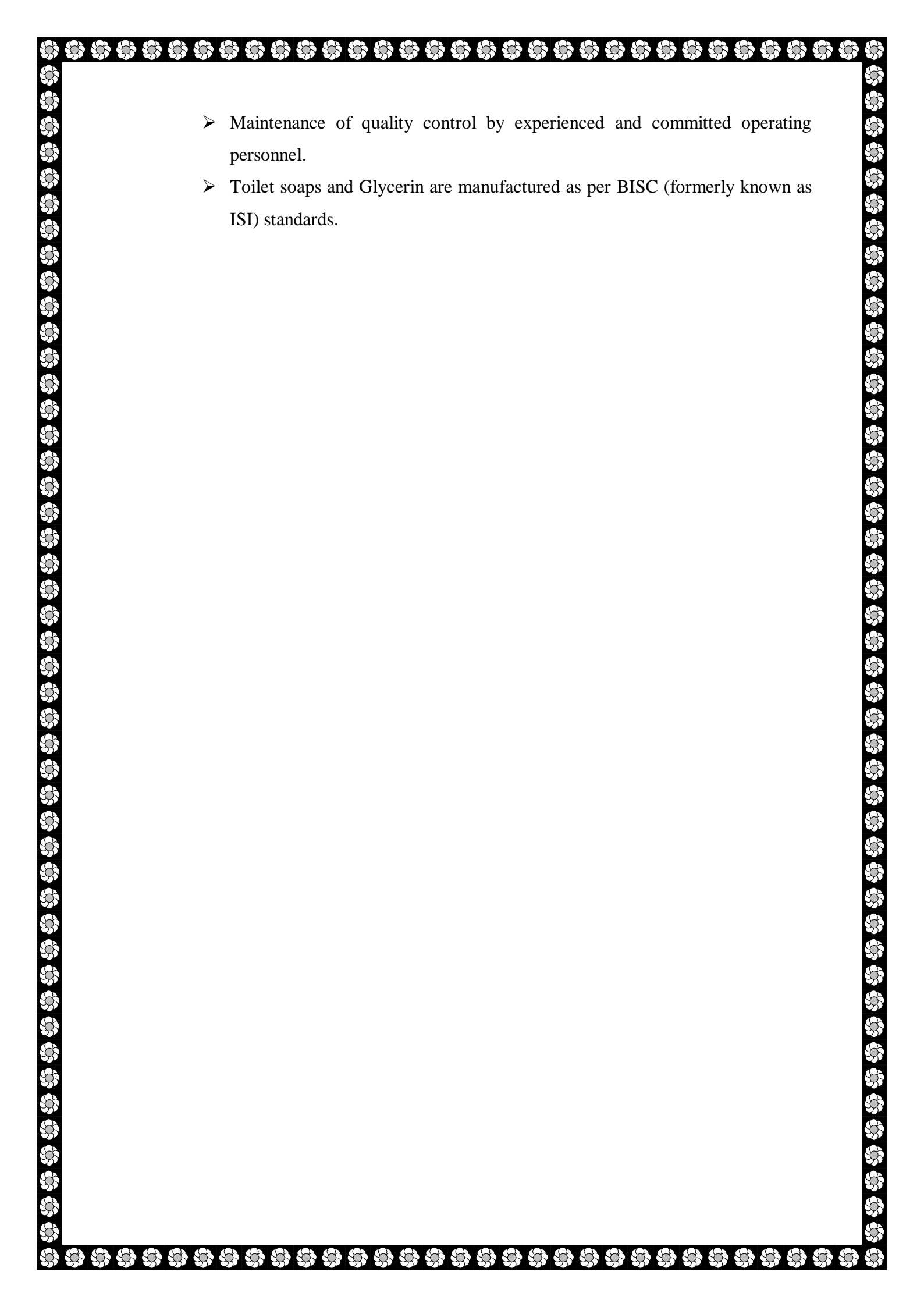
2. To fabricate manufacture and deal in all kinds of fatty acids plants.
3. To manufacture various brands of soaps under contract basis for HLL.
4. The company organizes annual general body meeting where it submits all the four quarterly reports regarding the actual performance with standard performance and predicts the courses of valances.
5. To receive, consider and adopt the profit & loss and for the year ended and prepares balance sheet as at that date.
6. To declare dividend on equity shares.

**Performance and achievements of Jocil limited:-**

- Jocil is a leading manufacturer of all kinds of fatty acids. This also manufactures soaps.
- Jocil supplies different grades of stearic acid and other fatty acids to other manufacturing companies of pharmaceuticals, chemicals, plastic etc.
- Jocil supplies fatty acids to meet their specific requirement of stearic acid, oleic acid etc.

**Factors are:-**

- Usage of good quality raw materials like rice bran oils, coconut oils, cotton seed oils etc.
- The processing and purification of fatty acids is done by using latest technology.
- The technology and requirement of Jocil has been imported from C.N.B., Italy.

- 
- Maintenance of quality control by experienced and committed operating personnel.
  - Toilet soaps and Glycerin are manufactured as per BISC (formerly known as ISI) standards.

## THEORETICAL FRAMEWORK

Cost accounting is the process of recording, classifying, analyzing, summarizing, and allocating various alternative courses of action for the control of costs. Its goal is to advise the management on the most appropriate course of action based on the cost efficiency and capability. Cost accounting provides the detailed cost information that management needs to control current operations and plan for the future.

Since managers are making decisions only for their own organization, there is no need for the information to be comparable to similar information from other organizations. Instead, information must be relevant for a particular environment. Cost accounting information is commonly used in financial accounting information, but its primary function is for use by managers to facilitate making decisions.

Cost accounting examines the cost structure of a business. It does so by collecting information about the costs incurred by a company's activities, assigning selected costs to products and services and other cost objects, and evaluating the efficiency of cost usage. Cost accounting is mostly concerned with developing an understanding of where a company earns and loses money, and providing input into decisions to generate profits in the future. Key activities include:

- Defining costs as direct materials, direct labor, fixed overhead, variable overhead, and period costs
- Assisting the engineering and procurement departments in generating standard costs, if a company uses a standard costing system
- Using an allocation methodology to assign all costs except period costs to products and services and other cost objects
- Defining the transfer prices at which components and parts are sold from one subsidiary of a parent company to another subsidiary
- Examining costs incurred in relation to activities conducted, to see if the company is using its resources effectively
- Highlighting any changes in the trend of various costs incurred



- Analyzing costs that will change as the result of a business decision
- Evaluating the need for capital expenditures
- Building a budget model that forecasts changes in costs based on expected activity levels
- Determining whether costs can be reduced
- Providing cost reports to management, so they can better operate the business
- Participating in the calculation of costs that will be required to manufacture a new product design
- Analyzing the system of production to understand where bottlenecks are positioned, and how they impact the throughput generated by the entire manufacturing system

There are a multitude of tools that the cost accountant uses to accumulate and interpret costs, including job costing, process costing, standard costing, activity-based costing, throughput analysis, and direct costing.

Cost accounting is a source of information for the financial statements, especially in regard to the valuation of inventory. However, it is not directly involved in the generation of financial statements.

## **TYPES OF COSTS**

### **Fixed Costs**

Fixed costs are costs that don't vary depending on the amount of work a company is doing. These are usually things like the payment on a building, or a piece of equipment that is depreciating at a fixed monthly rate.

### **Variable Costs**

Variable costs are tied to a company's level of production. An example could be a coffee roaster, which after receiving a large order of beans from a far-away locale, has to pay a higher rate for shipping, packaging, and processing.

### **Operating costs**

Operating costs are costs associated with the day-to-day operations of a business. These costs can be either fixed or variable depending.

### **Direct costs**

Direct costs are the costs related to producing a product. If a coffee roaster spends 5 hours roasting coffee, the direct costs of the finished product include the labor hours of the roaster, and the cost of the coffee green. The energy cost to heat the roaster would be indirect because they're inexact, hard to trace.

Cost sheet is a statement, which shows various components of total cost of a product. It classifies and analyses the components of cost of a product. Previous period's data is given in the cost sheet for comparative study. It is a statement which shows per unit cost in addition to Total Cost. Selling price is ascertained with the help of cost sheet. The detail of total cost presented in the form of a statement is termed as Cost sheet. Cost sheet is prepared on the basis of:

1. Historical Cost

2. Estimated Cost

- **Historical Cost:** Historical Cost sheet is prepared on the basis of actual cost incurred. A statement of cost prepared after incurring the actual cost is called Historical Cost Sheet.
- **Estimated Cost:** - Estimated cost sheet is prepared on the basis of estimated cost. The statement prepared before the commencement of production is called estimated cost sheet. Such cost sheet is useful in quoting the tender price of a job or a contract.

A cost sheet is a report on which is accumulated all of the costs associated with a product or production job. A cost sheet is used to compile the margin earned on a product or job, and can form the basis for the setting of prices on similar products in the future. It can also be used as the basis for a variety of cost control measures. Despite the name, a cost sheet can be compiled and viewed on a computer screen, as well as being manually developed on paper. The costs listed on the report are usually aggregated into the following categories:

- Direct materials

- Direct labor
- Allocated factory overhead

In some situations, a cost sheet may also include a line item for allocated overhead. In addition, the following costs may also appear on a cost sheet in varying degrees of detail:

- Shipping and handling
- Supplies
- Outsourced costs

The costs listed on a cost sheet usually include charges for actual material and labor costs incurred. However, it is also possible that these costs are only listed at their standard costs, which are obtained by backflushing; this is the process of multiplying the number of units produced by bills of material and labor routings to arrive at the costs that should have been associated with a product or job.

The development of a cost sheet can be a major production, especially if it is compiled by hand. Even if it is drawn from a database of compiled costs, a cost accountant must still review it for duplicate, missing, or incorrect entries before issuing it. A cost sheet is normally issued along with an explanatory page that points out any unusual costs incurred or variances that management should be aware of.

The format of a cost sheet is usually a standard one that is either manually rolled forward from earlier reports, or else set up within the accounting system for automatic display when a report is printed.

An alternative purpose for the cost sheet concept is to use it as the basis for a quote to a customer, usually for the manufacture of a custom product. In this case, the cost sheet includes the best estimates of the company's estimators for the requested product, with details for each of the previously indicated expense line items.

**The importance of cost sheet** is as follows:

- **Cost ascertainment:** - The main objective of the cost sheet is to ascertain the cost of a product. Cost sheet helps in ascertainment of cost for the purpose of determining

cost after they are incurred. It also helps to ascertain the actual cost or estimated cost of a Job.

- **Fixation of selling price :-** To fix the selling price of a product or service, it is essential to prepare the cost sheet. It helps in fixing selling price of a product or service by providing detailed information of the cost.
- **Help in cost control:** - For controlling the cost of a product it is necessary for every manufacturing unit to prepare a cost sheet. Estimated cost sheet helps in the control of material cost, labour cost and overheads cost at every point of production.
- **Facilitates managerial decisions :-** It helps in taking important decisions by the management such as: whether to produce or buy a component, what prices of goods are to be quoted in the tender, whether to retain or replace an existing machine etc.

## COMPONENTS OF TOTAL COST

The Components of cost are shown in the classified and analytical form in the cost sheet.

Components of total cost are as follows:

- **Prime Cost:** - It consists of direct material, direct wages and direct expenses. In other words “Prime cost represents the aggregate of cost of material consumed, productive wages, and direct expenses”. It is also known as basic, first, flat or direct cost of a product.

$$\text{Prime Cost} = \text{Direct material} + \text{Direct Wages} + \text{Direct expenses}$$

Direct material means cost of raw material used or consumed in production. It is not necessary that all the material purchased in a particular period is used in production. There is some stock of raw material in balance at opening and closing of the period. Hence, it is necessary that the cost of opening and closing stock of material is adjusted in the material purchased. Opening stock of material is added and closing stock of raw material is deducted in the material purchased and we get material consumed or used in production of a product. It is calculated as:

$$\text{Material Consumed} = \text{Material purchased} + \text{Opening stock of material} - \text{Closing stock of material.}$$

**Factory Cost:** - In addition to prime cost it includes works or factory overheads. Factory overheads consist of cost of indirect material, indirect wages, and indirect expenses incurred in the factory. Factory cost is also known as works cost, production or manufacturing cost.

$$\text{Factory Cost} = \text{Prime cost} + \text{Factory overheads}$$

**TOTAL COST AND COST SHEET:** - If office and administrative overheads are added to factory or works cost, total cost of production is arrived at. Hence the total cost of production is calculated as:

$$\text{Total Cost of production} = \text{Factory Cost} + \text{office and administration overheads}$$

- **Cost of goods sold:** - It is not necessary, that all the goods produced in a period are sold in the same period. There is stock of finished goods in the opening and at the end of the period. The cost of opening stock of finished goods is added in the total cost of production in the current period and cost of closing stock of finished goods is deducted. The cost of goods sold is calculated as:

$$\text{Cost of goods sold} = \text{Total cost of production} + \text{Opening stock of Finished goods} - \text{Closing stock of finished goods}$$

- **Total Cost:** - Cost of Sales If selling and distribution overheads are added to the total cost of production, total cost is arrived at. This cost is also termed as cost of Sales. Hence the total cost is calculated as:

$$\text{Total Cost} = \text{Cost of Goods sold} + \text{Selling and distribution overheads}$$

Sales If the profit margin is added to the total cost, sales are arrived at. Excess of sales over total cost is termed as profit. When total cost exceeds sales, it is termed as Loss.

$$\text{Sales} = \text{Total Cost} + \text{Profit}$$

## COST SHEET PROFORMA

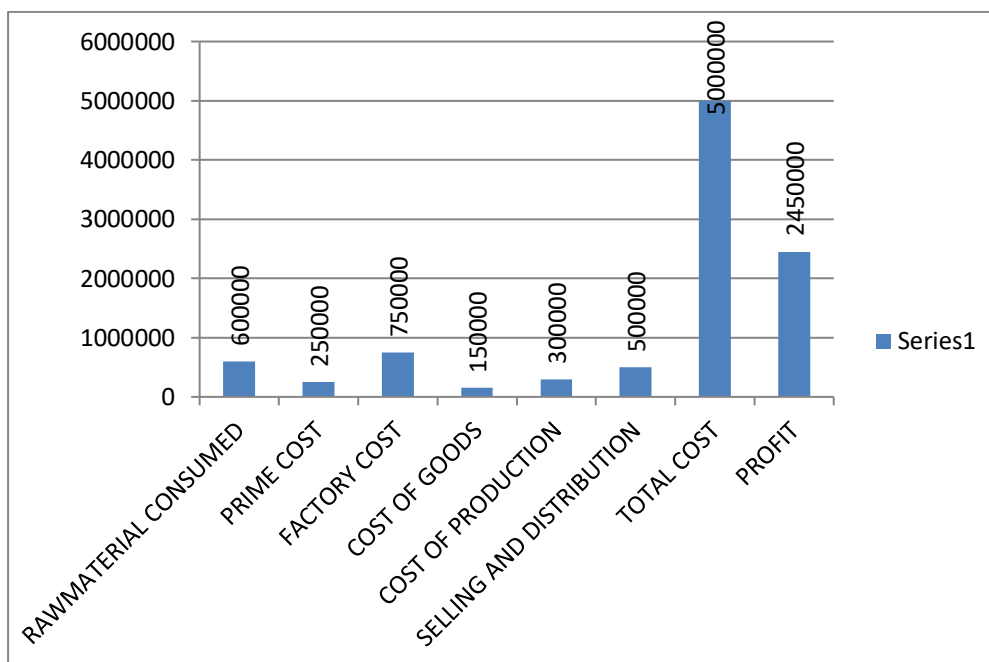
PARTICULARS	AMOUNT	AMOUNT
	xxx	Xxx
Opening stock Raw Materials	xxx	xxx
Add: Purchase	xxx	xxx
Add: Carriage Inwards	xxx	xxx
Add: Octroi & Customs duty	xxx	xxx
Less: Closing stock of Raw Materials	xxx	xxx
Add: Direct Wages	xxx	xxx
<b>Prime Cost</b>	xxx	xxx
Add: Factory over heads		
Indirect materials		
Indirect wages	xxx	xxx
Fuel & Power	xxx	xxx
Repairs	xxx	xxx
Factory lightings	xxx	xxx
Transport Expense		
Add: opening work in process	xxx	xxx
Less: closing work in process	xxx	xxx
	xxx	xxx
<b>Office administrative expenses</b>	xxx	xxx
Rent&taxes	xxx	xxx
Office salary	xxx	xxx
Management expenses		
Cost of production		
Repairs	xxx	xxx
	xxx	xxx
Add: opening finished goods	xxx	xxx
Less: closing finished goods	xxx	xxx
<b>SELLING DISTRIBUTING EXPENSES</b>	xxx	xxx

<b>Sales</b>	XXX	XXX
Sales commision		
Net profit [selling]		

## DATA ANALYSIS AND INTERPRETATION

### COST SHEET FOR THE YEAR ENDED 2016-2017

PARTICULARS	AMOUNT
RAWMATERIAL CONSUMED	600000
PRIME COST	250000
FACTORY COST	750000
COST OF GOODS	150000
COST OF PRODUCTION	300000
SELLING AND DISTRIBUTION	500000
TOTAL COST	5000000
PROFIT	2450000

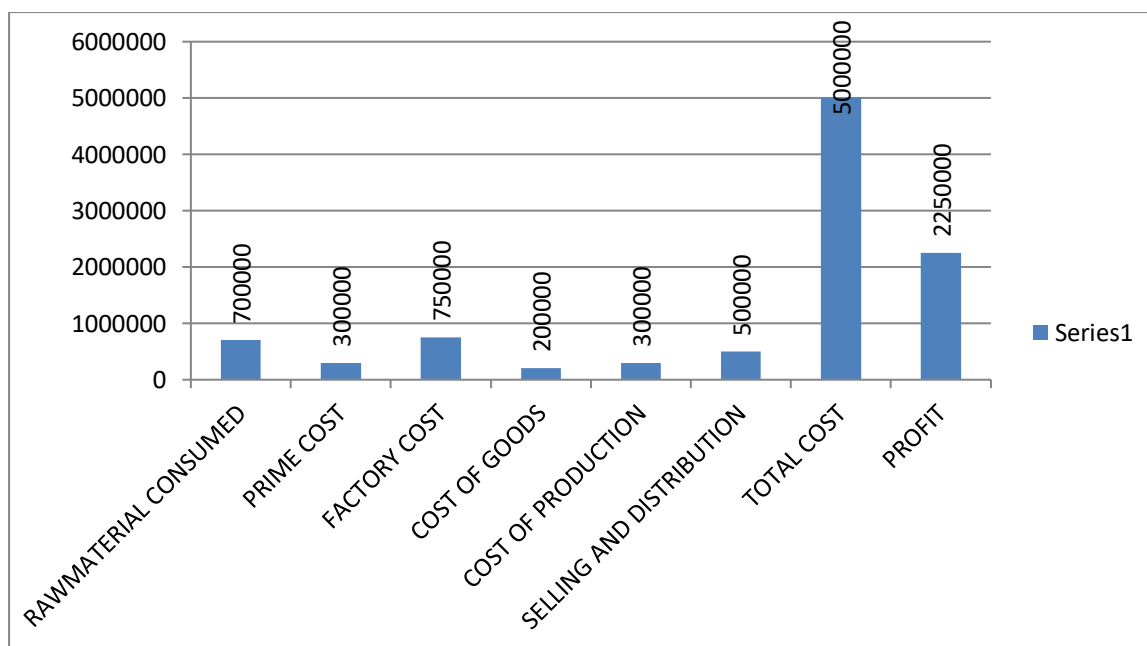


**INTERPRETATION:** - In a cost sheet format total cost turnover is 50, 00,000. Prime cost, work cost, cost of goods, cost of production, and selling and distribution cost are 25, 50,000 remaining treated to a profit orientation in cost accounting 24,50,000.



### COST SHEET FOR THE YEAR ENDED 2017-2018

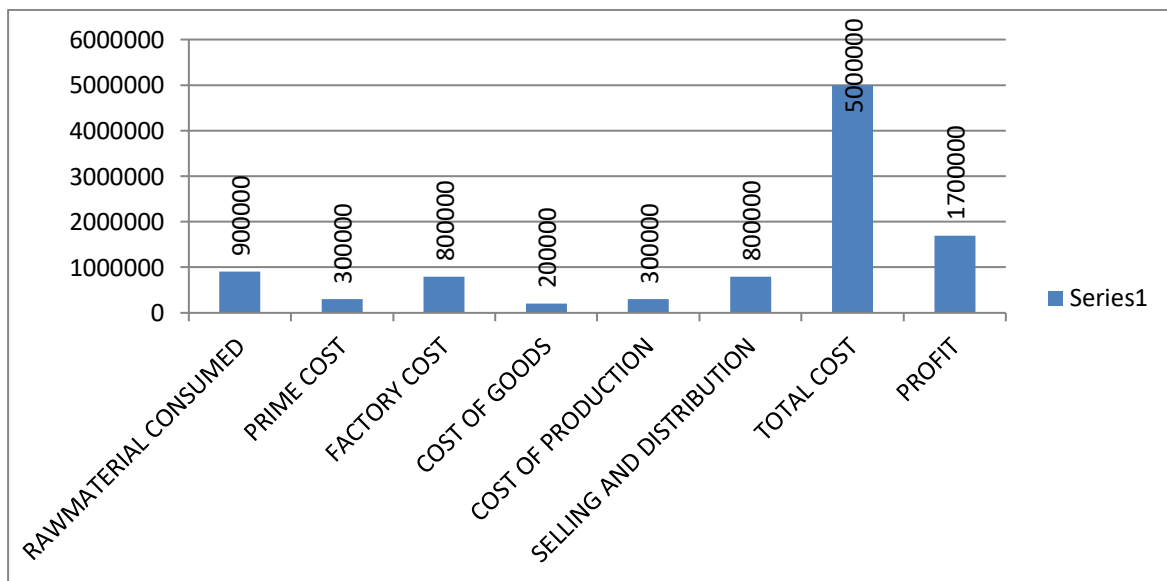
PARTICULARS	AMOUNT
RAWMATERIAL CONSUMED	700000
PRIME COST	300000
FACTORY COST	750000
COST OF GOODS	200000
COST OF PRODUCTION	300000
SELLING AND DISTRIBUTION	500000
TOTAL COST	5000000
PROFIT	2250000



**INTERPRETATION:-** In a cost sheet format total cost turnover is 50,00,000. Prime cost, work cost, cost of goods, cost of production, and selling and distribution cost are 27, 50,000 remaining treated to a profit orientation in cost accounting 22, 50,000.

### COST SHEET FOR THE YEAR ENDED 2018-2019

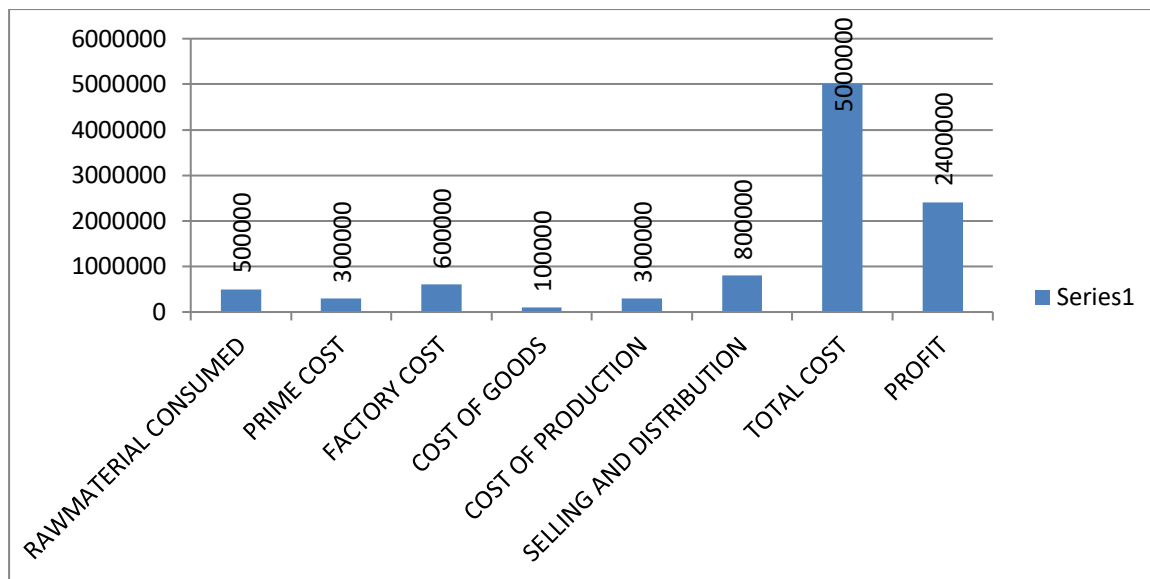
PARTICULARS	AMOUNT
RAWMATERIAL CONSUMED	900000
PRIME COST	300000
FACTORY COST	800000
COST OF GOODS	200000
COST OF PRODUCTION	300000
SELLING AND DISTRIBUTION	800000
TOTAL COST	5000000
PROFIT	1700000



**INTERPRETATION:** - In a cost sheet format total cost turnover is 50, 00,000. Prime cost, work cost, cost of goods, cost of production, and selling and distribution cost are 33, 00,000 remaining treated to a profit orientation in cost accounting 17, 00,000.

**COST SHEET FOR THE YEAR ENDED 2019-2020**

<b>PARTICULARS</b>	<b>AMONT</b>
RAWMATERIAL CONSUMED	500000
PRIME COST	300000
FACTORY COST	600000
COST OF GOODS	100000
COST OF PRODUCTION	300000
SELLING AND DISTRIBUTION	800000
TOTAL COST	5000000
PROFIT	2400000

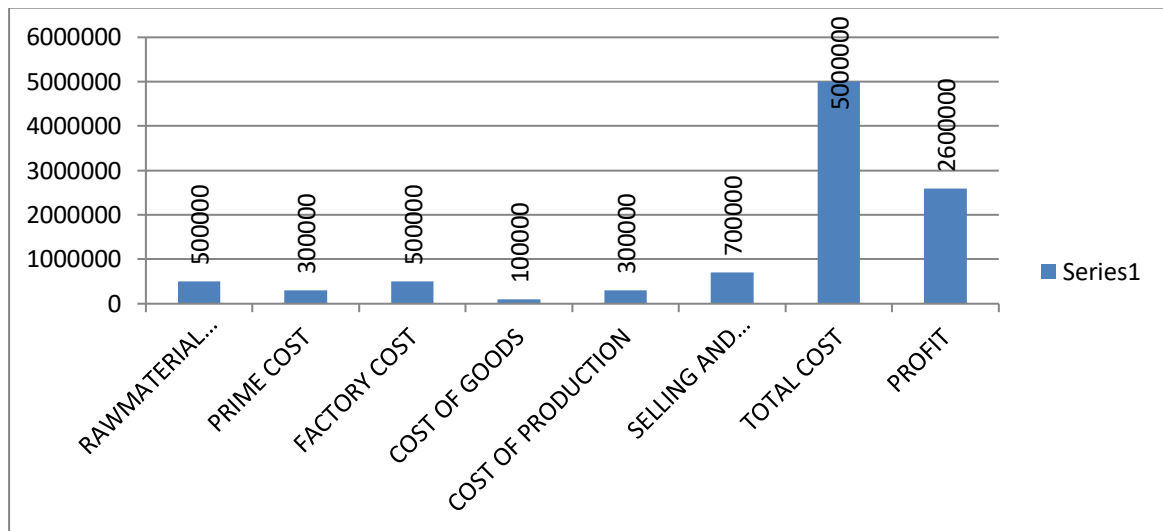


INTERPRETATION: - In a cost sheet format total cost turnover is 50, 00,000. Prime cost, work cost, cost of goods, cost of production, and selling and distribution cost are 26, 00,000 remaining treated to a profit orientation in cost accounting 24, 00,000.

### COST SHEET FOR THE YEAR ENDED 2020-2021

PARTICULARS	AMOUNT
RAWMATERIAL CONSUMED	500000
PRIME COST	300000
FACTORY COST	500000

COST OF GOODS	100000
COST OF PRODUCTION	300000
SELLING AND DISTRIBUTION	700000
TOTAL COST	5000000
PROFIT	2600000



INTERPRETATION: - In a cost sheet format total cost turnover is 50, 00,000. Prime cost, work cost, cost of goods, cost of production, and selling and distribution cost are 24, 00,000 remaining treated to a profit orientation in cost accounting 26, 00,000.

## FINDINGS

- From the survey on the cost sheet in Jocil Pvt Ltd at I hardly found out the following things.
- Most of the employees felt that there is a need for training in certain speciation area accounts and costing in Jocil Pvt Ltd.
- It is identified that 60% of respondent's opinion is taken with supporting of data analysis and interpretation of Jocil Pvt Ltd.
- It is observed that the company is depending on external sources and internal sources.
- It is identified that the company is more concentrating on job rotation method in training point of view.
- Many of the employees says that cost sheet very impotent course on external and internal areas are more helpful to the employees in the organization.

## SUGGESTIONS

- In other hand it is good to the company to getting new capital to run and enter into different new projects.
- There is no consistency in profits of the company, the profit earning of the company varies year by year, the change of profit earning is more than 30%.
- So company has to maintain consistency in profit earnings and try to get good growth in profit earning. Then only company gets good reputation in the market.
- The vision and mission of the organization should be properly defined and extend its importance of understanding to achieve the organizational goal.
- The manager has strong analytical skill but lack ethical knowledge which can be improved by consistent exposure to recent development in costing areas either by reading or by establishing them under your guidance.

## CONCLUSION

Company having good raw material consumed and long working in progresses. Structure and it increasing its assets year to year .It may help to the company in the long run and it indicates company growth in upcoming years. But the company invested future point of view why because in production point of view less depreciation. The company and we may able to reach current profit requirements.





REFERENCES

JOCIL ANNUAL REPORTS FROM WEBSITE

COST AND MANAGEMENT ACCOUNTING – SP.JAIN – KALYANI PUBLISHERS