Reg. No. : ....

Code No. : 31039 E **Sub. Code : EMCO 51/ EMHO 51**

B.Com. (CBCS) DEGREE EXAMINATION, NOVEMBER 2025.

Fifth Semester

Commerce / Honors — Core

Major — COST ACCOUNTING — I

(For those who joined in July 2023 onwards)

Time : Three hours Maximum : 75 marks

PART A — $(10 \times 1 = 10$ marks)

Answer ALL questions.

Choose the correct answer :

1. The total of direct expenses is known as ___________.

   (a) Prime cost (b) Work cost

   (c) Factory cost (d) Direct Cost

2. Indirect Material Cost is a part of ________.

(a) Prime Cost

(b) Factory overhead

(c) Chargeable expenses

(d) Selling overhead

3. Prime cost plus Variable overhead is known as ________.

(a) Production cost

(b) Cost of sale

(c) Marginal cost

(d) Production and Marginal cost

4. An Over-Statement of work-in-progress at the end of a period will ________.

(a) Overstate cost of goods produced

(b) Understate gross profit

(c) Overstate net profit

(d) Overstate gross profit

5. In which method, prices charged to production, are at the current prices prevailing in the market ________.

(a) FIFO

(b) LIFO

(c) Replacement prices

(d) Weighted average price

6. Which of the following is an accounting record?

(a) Bill of material (b) Bin Card

(c) Store Ledger (d) ABC Analysis

7. Taylor's differential plan provide for ________.

(a) Two wage rates

(b) Three wage rates

(c) More than three wages rates

(d) Single wage system

8. Under the high wage plan ________.

(a) at a time rate higher than the usual rate

(b) according to his efficiency

(c) at a double rate for overtime

(d) piece rate system

9. Which of the following is a scientific and accurate method of absorption of factory overhead __________.

(a) Percentage on Prime Cost

(b) Percentage on Direct Labour Cost

(c) Machine hour rate

(d) ABC method

10. Job costing is suitable for __________.

(a) Specific order concerns

(b) Mass producing concerns

(c) All concerns

(d) Both (a) and (b)

PART B — (5 × 5 = 25 marks)

Answer ALL questions by choosing (a) or (b).

Each answer should not exceed 250 words.

11. (a) What are the principles of Cost Accounting?

Or

(b) Explain the nature of Cost Accounting.

12. (a) Prepare a cost sheet to find out profit and cost per unit from the following particulars :

Raw materials consumed — Rs. 1,60,000

Direct wages — Rs. 80,000

Factory overheads — Rs. 16,000

Office overheads — 10% of factory cost

Selling overheads — Rs. 12,000

Units produced — 4,000

Units sold — 3,600

Selling price per unit — Rs. 100

Or

(b) What do you mean by Job Costing?

13. (a) From the following particulars calculate re-order level, maximum level, minimum level and average level of stock.

Normal Usage — 50 units per week each

Minimum Usage — 25 units per week each

Maximum Usage — 75 units per week each

Re-order quantity — 300 units

Re-order period — 4 to 6 weeks.

Or

(b) What are the features of Job Order Costing?

14. (a) From the following information prepare a statement showing cost per day of 8 hours :

(i) Monthly Salary Rs. 400

(ii) Leave Salary 10% of

(iii) Employer's Contribution to Provident Fund 8% of ((i) + (ii))

(iv) Employer's Contribution to State Insurance 5% of ((i) + (ii))

(v) Expenditure an amenities Rs. 18 per head per month.

(vi) Monthly working hours 200 hrs.

Or

(b) What are the different types of calculation of wage payments?

15. (a) What do you mean by under absorption and over absorption of overheads?

Or

(b) From the following data, compute the overhead to be charged on the basis of direct labour hour rate to job no. 108 and determine the total cost.

Materials used (for job no. 108) Rs. 210

Direct wages (for Job no. 108) Rs. 280

Direct labour hours (for Job no. 108) 70 hours

Estimated factory overheads for the year 1,05,000

Estimated labour hours for the year 2,10,000 hours.

PART C — (5 × 8 = 40 marks)

Answer ALL questions by choosing (a) or (b).

Each answer should not exceed 600 words.

16. (a) Explain the difference between Cost Accounting and Management Accounting.

Or

(b) What are the different types of Cost Accounting?

17. (a) What are the features of Job Costing?

Or

(b) From the following particulars of a manufacturing company prepare a statement showing :

(i) Cost of materials consumed

(ii) Prime cost

(iii) Cost of production

(iv) Work cost

(v) Percentage of works expenses to wages and

(vi) Percentage of general expenses to work cost

Opening Stock :	Rs.
Materials	25,000
Finished goods	51,000
Purchase of materials	5,75,000
Production wages	3,90,000
Sales of finished goods	12,20,000
Closing stock :	Rs.
Materials	30,000
Finished goods	48,000
Works overhead charges	86,000
Office and general expenses	72,000

18. (a) Following data related to material 'A', find Reorder level, minimum level and maximum level.

Normal usage 450 units per week

Maximum usage 750 units per week.

Minimum usage 300 units per week.

Reorder quantity 3,200 units.

Reorder period 3 to 5 weeks.

Or

(b) From the following particulars calculate Re-order level, minimum level, maximum level and average level of stock.

Normal usage — 50 units per week each

Minimum usage — 25 units per week each

Maximum usage — 75 units per week each

Re-order quantity — 300 units

Re-order period — 4 to 6 weeks

19. (a) What is the difference between time-keeping and time booking?

Or

(b) With the help of the following information you are required to ascertain the wages paid to worker Mr. X and Mr. Y under Taylors differential piece rate system.

Standard time allowed — 40 units per hour

Simple time rate was Rs. 4 per hour

Differential rate to be applied

75% of piece rate when below standard

125% of piece rate when above the standard the worker have produced in a day of 8 hours as follows.

Mr. X — 240 units, Mr. Y — 400 units.

20. (a) From the following data given below calculate the department overhead rates for each of the production department :

Particulars	A	B	C	D	E
Direct wages (Rs.)	2,000	3,000	4,000	1,000	2,000
Raw materials (Rs.)	1,000	2,000	2,000	1,500	1,500
Employees (Nos.)	100	150	150	50	50
Electricity	4,000	3,000	2,000	1,000	1,000
Light points (Nos.)	10	16	4	6	4
Asset value (Rs.)	60,000	40,000	30,000	10,000	10,000
Area occupied (Sq.m.)	150	250	50	50	50

The expenses were :	Rs.
Motive power	550
Electricity charges	100
Ware house charges	4,000
Labour welfare	1,500
Depreciation	15,000
Maintenance	3,000
General overhead	6,000
Rent and rates	275

D and E service departments. Apportion the expenses of Department D in proportion to direct wages and that department E in the ratio of 5 : 3 : 2 to department A, B and C respectively.

Or

(b) Find out wages per hour based on the following information :

Wages per year : Rs. 2,400

Annual income @ 25% of wages

Contribution to P.F. @ 10% of wages

E.S.I. contribution @ 3% of wages

Total leave permitted during the year 60 days.

Cost of labour welfare amenities Rs. 8,000

No. of workmen 200

Normal idle time 80 hours

Working days per annum : 320 days of 8 hours.