(FOR THE CANDIDATES ADMITTED **SUBJECT CODE** **23 UCO 512**

DURING THE ACADEMIC YEAR 2023-24 ONLY) **REG.NO.**

N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI

END-OF-SEMESTER EXAMINATIONS : NOVEMBER – 2025

B.Com. (AIDED & S.F.) **MAXIMUM MARKS: 75**

V SEMESTER **TIME : 3 HOURS**

PART – III

COST ACCOUNTING

SECTION – A (10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS. **(K1)**

1. Which is objects of costing?

   a) Ascertainment of cost b) Financial Accounting

   c) Management Accounting d) Cost Technique

2. In which method is suitable in times of rising prices?

   a) FIFO b) LIFO c) Average cost d) Specific price

3. What to know the reasons of Idle time cards are prepared?

   a) Long time b) Idle time c) Cost price d) Market price

4. Which industry is applied Process Costing?

   a) Chemical b) Farm c) Service d) Garment

5. What is the method of costing applied in biscuit an industry?

   a) Contract b) Process c) Job d) Total

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES. **(K2)**

6. What is cost accounting?
7. What is EOQ?
8. What is Labour Turnover?
9. What is process costing?
10. Write a note on ‘job costing’.

SECTION – B (5 X 5 = 25 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.
(K3)

11. a) Prepare a cost sheet from the following:

Particulars	Amount (Rs.)
Direct materials	50,000
Direct wages	15,000
Factory expenses	5,000
Office expenses	1,000
Selling expenses	500

(CONTD …. 2)

ETHICAL PAPER

(OR)

b) Calculate prime cost from the following particulars.
Opening Stock of Raw Materials- Rs.10000,
Purchases – Rs.50000,
closing stock – 5000,
direct Labour – Rs.20000

12. a) Find out the economic ordering quantity (EOQ) from the following particulars.
Annual usage: 6, 000 units
Cost of material per unit Rs.20
Cost of placing and receiving one order Rs. 60
Annual Carrying cost of one unit: 10% of inventory value.

(OR)

b) Two components namely A and B are used in a factory. The relevant data:
Normal usage/ week - 50 units each
Minimum usage/ week – 25 units each
Maximum usage/week – 75 units each

Reorder quantity	A = 400 units
	B =600 units
Re-order period	A= 4-6 weeks
	B= 2-4 weeks

Calculate for each component: 1) Re-order level and 2) Minimum level. \

13. a) Explain the types of idle time.

(OR)

b) Calculate the earnings of workers A and B under Straight Piece-rate system and Taylor's Differential Piece –rate system from the following particulars:
Normal Rate per hour = Rs. 1.80
Standard time per unit = 20 seconds
Differentials to be applied:
80% of piece rate below standard
120% of piece rate at or above standard.
Worker A produces 1,300 units per day and worker B produces 1,500 units per day.

14. a) In process A 100 units of raw materials were introduced at a cost of Rs. 1,000. The other expenditure incurred by the process was Rs. 602. Of the units introduced 10% are normally lost in the course of manufacture and them posses a scrap value of Rs.3 each. The output of process A was only 75 units. Prepare A Account and abnormal loss Account.

(OR)

b) In process B, 75 units of a commodity were transferred from process A at a cost of Rs. 1,310. The additional expenses incurred by the process were Rs. 190. 20% of the units entered are normally lost and sold @ Rs. 4 per unit. The output of the process was 70 units. Prepare Process B Account and Abnormal Gain Account. **K3**

15. a) The following data is available in respect of job No: 876:

Direct material	Rs. 17,000
Wages	160 hours at hours at Rs. 50 per hour
Variable over heads incurred for all jobs	Rs. 80,000 for 2,000 labour hours
Fixed overheads are absorbed at	Rs. 20 per hour

Find the profit or loss from the job if the job is billed for Rs. 40,000.

(OR)

b) List out the advantages of job costing.

SECTION – C (5 X 8 = 40 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K4/K5)

16. a) Calculate Prime cost, Factory cost, Cost of production, cost of sales and profit from the following:

Particulars	Rs.
Direct materials	10,000
Direct labour	4,000
Direct expenses	500
Factory expenses	1,500
Administrative expenses	1,000
Selling expenses	300
Sales	20,000

(OR)

b) Ascertain the prime cost from the following:

Particulars	Rs.
Direct wages	50,000
Chargeable expenses	5,000
Opening stock of raw materials	10,000
Raw materials bought during the period	60,000
Closing stock of raw materials	20,000
Carriage inwards	1,500
Carriage outwards	2,000
Raw materials returned to supplier	1,500

17. a) Show the stores ledger entries as they would appear when using the LIFO method of pricing issues, in connection with the following truncations:

Date	Particulars	Unit	Price (Rs)
April 1	Balance in hand b/f	300	2.00
April 2	Purchased	200	2.20
April 4	Issued	150	-
April 6	Purchased	200	2.30
April 11	Issued	150	-
April 19	Issued	200	-
April 22	Purchased	200	2.40
April 27	Issued	150	-

In a period of rising prices such as the above, what are the effects of LIFO method?

(OR)

b) From the Following Particulars for the month of January 2003, calculate the values of issues and the closing stock using the method of weighted averages pricing assuming that the issued are under FIFO.

(CONTD …. 4)

ETHICAL PAPER

1.1.03 Opening stock 300 KGS. @Rs.30 per kg.
2.1.03 Received 150 KGS.@ 40 per kg.
3.1.03 Issued 200KGS.
4.1.03 Issued 150 KGS.
5.1.03 Received 50KGS. @ Rs. 50 per kg.
6.1.03 originally issued on 2.1.97 now returned to store 10 KGS.

18. a) Calculate earnings of workers A, B and C under Straight piece rate system and Merrick's multiple piece rate system from the following particulars:
Normal rate per hour Rs. 1.80
Standard time per unit 1 Minute
Output per day is as follows:
Worker A- 384 units; Workers B - 450 units and Worker C – 552 units
Working hours per day are 8.

(OR)

b) A Company has four departments out of which A, B and C are production departments and D is a service department. The following are the costs for a period of three months pertaining to these departments.

Particulars	Amount (Rs.)
Rent	1,000
Repair	600
Depreciation	450
Light	100
Supervision	1,500
Insurance on plant	500
Employee's Insurance paid by employer	150
Power	900

The following data are also available for the four departments:

Particulars	A	B	C	D
Area Sq.Ft.	78	55	45	25
No. of workers	12	8	6	5
Total wages	Rs.4,000	3,000	2,000	1,000
Value of plant	Rs. 12,000	9,000	6,000	3,000
Value of stock	Rs.7,500	4,500	3,000	-

Make the apportionment of the costs of the various departments on the most equitable method.

19. a) Distinguish between job costing and process costing.

(OR)

b) Units put into process 2,500
Units competed 2,000
Work-in-progress at close 500
Process costs
Materials Rs. 22,500; Labour Rs. 6,750 and Overhead Rs.2,250.
Work-in-progress is completed 50% s materials labour and overhead.
Find out the (a) Equivalent production
(b) Cost per unit of equivalent production and
(c) Process Account.

20. a) Explain the key features of transportation.

(OR)

b) A transport company operates 4 buses on a route 100 kms. long each bus makes three round trips per day on all 30 days in a month. On an average 20% of the vehicles are in garage for repairs and maintenance. Ascertain the total distance covered by the buses in one month period.

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