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Reg. No. | | | | | | | | |

III Semester B.Com.(R)/A&F/B.D.A./L.S.C.M./T.T.M. Degree Examination,
December/January - 2025/26
COMMERCE
Cost Accounting
(SEP 2025-26 Scheme)
Paper : 3.3

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Time : 3 Hours **Maximum Marks : 80**

Instructions to Candidates:

Answers should be in English only.

SECTION - A

Answer any Five of the following sub-questions. Each sub-question carries 2 marks. (5×2=10)

1. a) What is cost sheet?

   b) Give the meaning of semi variable cost.

   c) What is Time Booking?

   d) State the elements of cost.

   e) Who is a store keeper?

   f) Write any four examples of office and administration overheads.

   g) What is labour cost?

   h) Calculate EOQ from the following

   Consumption during the year - 600 units

   Ordering cost - Rs. 12 per unit,

   Carrying cost - 12%

   Price per unit - Rs. 20.

[P.T.O.

SECTION - B

Answer any Four questions. Each question carries 5 marks. **(4×5=20)**

2. Calculate cost of production from the following particulars

	Rs.
Direct material	5,000
Direct labour	4,000
Factory overhead	3,000
Opening work in progress	1,000
Closing work in progress	2,500
Office Rent	1,500
Office Staff Salary	3,500
General expenses	2,000
Other office expenses	500

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3. From the following data calculate the total earnings of a worker under Halsey plan.

a) Standard Time 48 hours

b) Time rate Rs. 20 per hour

c) Actual Time taken 40 hours

4. The following information is available in respect of a particular material.

Reorder quantity - 3600 units

Maximum consumption - 900 units per week

Minimum consumption - 300 units per week

Normal consumption - 600 units per week

Reorder period - 3 to 5 weeks

Calculate:

a. Reorder level

b. Minimum level

c. Maximum level

d. Average stock level

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5. The following Transactions took place in respect of material R.

Date	Receipts	Rate per unit	Issue quantity
1/3/2025	20 units	25	--
9/3/2025	30 units	30	--
20/3/2025	--	--	5 units
24/3/2025	40 units	32	--
26/3/2025	--	--	30 units

Prepare the stores Ledger Account on the basis of weighted average price method.

6. Mohith company limited has Three production department's and Two service department's. The following figures for a certain period have been made available.

Rent and Rates	Rs. 15,000
Lighting	Rs. 1,500
Power	Rs. 2,000
Depreciation	Rs. 22,000
Insurance	Rs. 4,000

The following further information is available.

Particulars	Production Department			Service Department	
	A	B	C	X	Y
Floor space(sq. ft)	2,000	2,500	2,500	1,500	500
Light points	30	40	20	10	10
H.P. of machines	100	40	120	--	--
Cost of machinery	34,000	42,000	50,000	4,000	4,000
Direct wages	5,000	5,000	7,000	4,000	2,000
Stock value	6,000	4,000	3,000	500	300
Direct materials	15,000	18,000	12,000	3,000	3,000

You are required to prepare primary overhead distribution summary.

Briefly explain the differences between Cost Accounting and Financial Accounting.

SECTION - C

Answer any Three of the following questions. Each question carries 15 marks.
(3×15=45)

8. The following is the record of Receipts and Issues of a certain material in the Factory during a week May 2025

a. Opening balance 50 tonnes @ Rs. 10 per tonne

b. Issued 30 tonnes

c. Received 60 tonnes @ 10.20 per tonne

d. Issued 25 tonnes

e. Received back 10 tonnes (previously issued at Rs. 9.15 per tonne)

f. Issued 40 tonnes

g. Received 22 tonnes @ 10.30 per tonne

h. Issued 38 tonnes

Prepare stores ledger account under

i) FIFO method.

ii) LIFO method.

9. Compute Machine Hour Rate from the following data:

Cost of machine Rs. 2,00,000
Installation charges Rs. 20,000
Estimated Scrap value after the expiry of 15 years of life Rs. 10,000
Rent for the shop per month Rs. 400
General lighting for the shop per month Rs. 600
Insurance for the machine per Annum Rs. 1,920
Repairs per Annum Rs. 2,000
Power 10 units per hour
Rate of power for 100 units Rs. 40
Estimated working hours per Annum 2,000
Shop supervisor salary Rs. 1,200 per month
The machine occupies $\frac{1}{4}^{th}$ of the Total area of the shop
The supervisor devotes $\frac{1}{3}^{rd}$ of his time for this machine.

10. The Chinnu manufacturing company limited manufactured and sold 1000 machines in the year 2020. Following are the particulars obtained from the records of the company.

Cost of Materials	Rs. 80,000
Wages Paid	Rs. 1,20,000
Manufacturing Expenses	Rs. 50,000
Salaries	Rs. 60,000
Rent, Rates and Insurance	Rs. 10,000
Selling Expenses	Rs. 30,000
General Expenses	Rs. 20,000
Sales	Rs. 4,00,000

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The Company plans to manufacture 1200 machines in the year 2021. You are required to submit a statement showing the price at which machine should be sold so as to have a profit of 10% on sales.

The following additional information is supplied for you:

a. The price of material will be raised by 20% over previous year level.

b. Wages rate will raise by 5%.

c. Manufacturing expenses will raise in proportion to the combined cost of materials and wages.

d. Selling expenses per unit decreased by 10%.

e. Other expenses will be unaffected by the Raise in Output.

Prepare a cost sheet and estimated cost sheet for the year 2021

11. From the following information, prepare stores ledger account under Simple Average Price method.

2025 November	1	Received 500 units @ Rs. 20 per unit
	10	Received 400 units @ Rs. 24 per unit
	15	Issued 800 units
	20	Received 500 units @ Rs. 28 per unit
	26	Issued 300 units
	29	Received 600 units @ Rs. 22 per unit
	30	Issued 300 units

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12. The following particulars relates to a manufacturing company which has 3 production departments A, B and C and 2 service departments M and N.

Particulars	A	B	C	M	N
Total overhead as per primary distribution	6300	7400	2800	4500	2000

The company decided to charge the service department cost on the basis of the following percentages:

Service Department						
	M	40%	30%	20%	--	10%
	N	30%	30%	20%	20%	--

Find out the total overhead of production department charging service department to production under the Repeated Distribution method and also Simultaneous Equation method.

SECTION - D

(Compulsory)

Answer the following question. The question carries 5 marks. **(1×5=5)**

13. Mention the causes of Labour Turnover in any manufacturing organization.