



FIFTH SEMESTER B.COM. (NEP) DEGREE EXAMINATION, FEBRUARY 2024
COST ACCOUNTING – PRINCIPLES AND PRACTICE – I (DSC – 1)

Time : 2 Hours]

[Max. Marks : 60

- Instructions :** 1) Answer **all** the Sections according to internal choice.
2) Use of simple calculator is **allowed**.
3) Question No. 11 (case study) is **compulsory**.

SECTION – A

Answer **any five** of the following : (5×2=10)

1. a) State any two objectives of Cost Accounting.
- b) What is Cost Sheet ?
- c) What is material control ?
- d) What is Bin Card ?
- e) Define Labour Cost.
- f) What is time keeping ?
- g) What do you mean by overhead ?

SECTION – B

Answer **any four** of the following : (4×5=20)

2. Write any five difference between Cost Accounting and Financial Accounting.
3. From the following particulars, prepare cost sheet :

Raw material consumed	90000
Direct wages	54000
Machine hours worked	1800 hours
Machine hour rate Rs.	30 per hour

Administrative overheads are 20% of works cost. During the year, 20000 units produced and sold and selling price per unit ₹ 15 per unit.

[P.T.O.]



4. Calculate from the following information :

- a) Re-order level.
- b) Minimum stock level.
- c) Maximum stock level.

Reorder period	4 to 6 weeks
ROQ	1200 kgs per week
Minimum usage	100 kgs per week
Maximum usage	200 kgs per week

5. From the following particulars, calculate earnings of workers under Taylor's Differential Piece Rate System.

Standard time per unit – 20 minutes

Normal rate per hour – ₹ 90

In a 8 hours day A produces – 23 units

B produces – 30 units

Differential rate to be applied

80% of piece rate below standard

120% of piece rate at or above standard

6. Find out the Direct Labour Rate of X Co. Ltd. from the following :

- a) Total operators working in the Department – 100.
- b) Department works for 300 days in a year.
- c) Daily working hours are 8 hours per day.
- d) Total departmental overheads as Rs. 2,16,000.
- e) 10% of total days are subject to normal idle time.

SECTION – C

Question No. 11 is **compulsory**. Answer **any two** of the following. **Each** question carries **10** marks. **(3×10=30)**

7. What is Cost Accounting ? Explain the advantages of Cost Accounting.
8. The following information has been obtained from the books of XYZ Co. Ltd. for the year ending 31-3-2023 :

Purchase of raw material	47,200
Direct wages	40,000
Stock on 1-4-22	
Finished goods (800 units)	6,400
Stock on 31-3-23	
Finished goods (1600 units)	?
Works on cost	16,800
Offices and administration cost	11,200
Sale of finished goods	1,20,000

And the selling expenses as ₹ 0.50 paise per unit. During the year 12800 units were produced. Prepare statement of cost showing profit or loss.

9. From the following details, prepare a stores ledger of Gadag Co. Ltd. using FIFO pricing method for material X.

- 1/1/23 Opening balance units 1000 units @ ₹ 10 per unit
- 6/1/23 Purchase 400 units @ ₹ 11 per unit
- 8/1/23 Issued 1400 units
- 15/1/23 Purchased 600 units @ ₹ 12 per unit
- 16/1/23 Issued 300 units
- 20/1/23 Purchased 800 units @ ₹ 13 per unit
- 24/1/23 Issued 800 units

On physical verification, it was found that there is a shortage of 10 units on 21st January 2023.



10. Gadag Co. Ltd. divided into four departments of A, B and C are production department and D is a service department. The actual costs for the period are as follows :

Lighting and heating	₹ 6,000
Power	₹ 9,000
Employees insurance	₹ 1,500
Rent	₹ 10,000
Supervision	₹ 24,000
Depreciation	₹ 60,000

The following information are available in respect of the four departments.

Particulars	A	B	C	D
Area in sq. ft	15	10	10	5
No. of employees	4	3	2	3
H.P. of machines	8	5	2	—
Value of plant	4 lakhs	3 lakhs	2 lakhs	1 lakh
No. of light points	4	3	2	1

Apportion the cost of various department by using the Primary Distribution System.

11. Case study (**Compulsory** question) :

Calculate the earning of Mr. Umesh from the following under :

a) Piece rate system

b) Halsay plan

c) Rowan plan.

Working hours per week – 48 hrs

Normal wage rate per hour Rs. 100

Standard time per piece 30 minutes

Actual output for the week 112 units

Which method do you prefer and why ?
