

Roll.No.

21UPACT5014

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)
Chromepet, Chennai - 600 044.

B.Com. PA - END SEMESTER EXAMINATIONS - NOVEMBER 2025
SEMESTER - V

21UPACT5014 - Cost Accounting

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

Answer any **SIX** questions ($6 \times 5 = 30$ Marks)

1. Differentiate between Cost Accounting and Management Accounting.
2. From the following data, find out the labour turnover rate by applying:
 - i. Separation Method
 - ii. Replacement Method
 - iii. Flux Method

No. of workers on the payroll:

At the beginning of the month 500

At the end of the month 600

During the month, 5 workers left, 20 persons were discharged and 75 workers were recruited; of these, 10 workers were recruited in the vacancies of those leaving, while the rest were engaged for an expansion scheme.

3. Find the EOQ from following particulars:

Annual Usage : 6000 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.

4. Write a short note on Activity Based Costing.

5. Calculate:

i. Re-order level ii. Maximum level

iii. Minimum level iv. Average stock level

Normal usage : 600 units per day

Minimum usage : 480 units per day

Maximum usage : 840 units per day

Re-order quantity : 7,200 units per day

Re-order period : 8 – 12 days

Normal re-order period : 10 days

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6. Calculate normal, overtime and total wages payable to a worker from the particulars given below:

Days	Hours worked
Monday	10
Tuesday	9
Wednesday	8
Thursday	12
Friday	9
Saturday	4

Normal working hours : 8 per day

Normal rate : Rs. 5 per day

Overtime rate :

- Upto 9 hours per day – single rate &
- Beyond 9 hours per day – double rate

7. From the data given below, compute machine hour rate:

Cost of the machine	₹90,000
Installation charges	₹10,000
Estimated scrap value	Nil
Estimated repair charges per year	₹1,000
Estimated working life of machine	10,000 hours
Standing charges allocated to the machine per year	6,000
Estimated working hours per year	2,000 hours

Power consumption of the machine is 20 units per hour and the rate of power per 100 units is ₹10.

8. The following figures relate to two jobs of a manufacturing concern which was completed in the week ending 6th June, 2024. Compute the total cost by preparing a cost sheet with this information.

	₹
Direct materials	2,000
Direct labour	1,600
Chargeable expenses	400

Charge works overheads at 50% on direct labour and office overheads at 10% on works cost. What shall be the job price if 10% profit is determined on the supply price?

Section C

Answer any **THREE** questions (3 × 10 = 30 Marks)

9. From the following particulars, prepare a statement of cost in detail:

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	₹		₹
Opening stock:		Closing stock:	
Raw materials	1,26,900	Raw materials	1,63,400
Finished goods	67,500	Finished goods	58,200
Supervision (Factory)	29,400	Rent, Rates and Insurance	28,500
Lighting	7,500	Purchase of raw materials	6,92,100
Sale of finished goods	11,93,700	Carriage on sales	29,900
Expense on purchase	3,200	Wages:	1,51,200
		Direct Indirect	23,300
Manufacturing expenses	9,300	Repairs:	
		Premises	3,000
		Plant & Machinery	4,900
Depreciation on Plant & Machinery	16,600	Office Expenses	37,400
Debenture Interest	7,500	Income Tax	32,200

1/15th of rent, rates and insurance, lighting and repairs to premises are to be treated as office charges.

10. The following is an extract of the record of receipts and issue of a material during 2023. On 1st March 2023, opening balance was 300 units at ₹20 per unit.

March 3 Issued 150 units
 4 Issued 100 units
 10 Received from supplier 200 units @ ₹19 per unit
 16 Issued 65 units
 20 Received from supplier 240 units @ ₹22 per unit
 24 Returned to supplier 20 units out of purchases of March 20
 25 Purchased 100 units @ ₹24 per unit
 26 Issued 180 units

On March 14, received back 15 units from the production department. Stock verification on 18th March showed a shortage of 10 units. Write up the stores ledger account on FIFO Method.

11. Calculate the earnings of workers A and B from the following information under:
- Taylor's Differential Piece Rate System
 - Merrick's Multiple Piece Rate System

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Normal rate per hour ₹1.80
 Standard time per unit 20 seconds
 Taylor's Differential rates :
 80% of piece rate – below standard
 120% of piece rate – above standard

Worker A produced 1,300 units and Worker B produced 1,500 units per day of 8 hours.

12. A manufacturing concern is divided into four departments – A, B and C are production departments and D is service department. The actual expenses for a period are as follows:

Rent	10,000
Repairs to Plant	6,000
Depreciation	4,500
Lighting expenses	1,200
Supervisory expenses	15,000
Stock insurance	5,000
Power	9,000

The following information is available in respect of four departments:

Expenses	Departments			
	A	B	C	D
Area	1,500	1,100	900	500
Horse Power	20	15	10	5
No. of employees	200	150	100	50
Direct wages	60,000	40,000	30,000	20,000
Value of Plant	2,40,000	1,80,000	1,20,000	60,000
Value of stock	1,50,000	90,000	60,000	-

Apportion the costs to the various departments on the most equitable method.

13. In a factory, the output of a product passes through two processes P and Q. In each process 5% of the total weight put in is lost and 10% scrap which realise from process P and Q ₹40 and ₹100 per ton respectively.

	Processes	
	P	Q
Materials consumed (in tons)	1,600	122
Cost of materials per ton	₹250	₹400
Wages	₹28,800	₹19,200
Manufacturing expenses	12,000	8,000

Prepare process accounts.
