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PRESIDENCY UNIVERSITY

Presidency University Act, 2013 of the Karnataka Act No. 41 of 2013 | Established under Section 2(f) of UGC Act, 1956
Approved by AICTE, New Delhi | Approved By BCI
Bengaluru

Even Semester Mid Term, March 2026

Date: 12/03/2026

Time: 09:30 AM - 11:00 AM

Course Code: COM2009

Course Name: Cost Accounting

Semester: Fourth Semester

Max. Marks: 50

Weightage: 50%

CO - Levels	CO1	CO2
Marks	46	44

PART-A: Answer Following Questions. 10 M

Qn.No	Questions	M	CO	BT
1	Define Cost Accounting	2	CO1	BT1
2	Distinguish between Cost Accounting and Financial accounting.	2	CO1	BT1
3	If the cost is ₹25,000 and profit on cost is 25%, what is the sales value?	2	CO1	BT2
4	From the following particulars, calculate the Economic Order Quantity. Annual requirements of units: 1,000 units per month Cost of materials per unit: ₹10 Cost of placing and receiving one order: ₹20 Annual carrying cost of inventory: 10% of inventory value p.a.	2	CO2	BT3
5	Calculate Maximum Stock level from the Information on Material 'A', is given below: Re-ordering Quantity 200 Units Re-ordering Period 5 to 8 weeks Maximum Usage 65 units per week Minimum Usage 25 units per week	2	CO2	BT3

Normal Usage

45 units per week

PART-B: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
6	KGF Textiles Ltd. is a medium-sized textile manufacturer specializing in cotton garments. Although the company's sales have remained stable, its profit margins have steadily declined over the past two years. Management believes that rising production costs and operational inefficiencies may be the cause, but the absence of detailed cost data has made it difficult to pinpoint the exact problem areas. Explain the objectives of Cost Accounting.	10	CO1	BT2
7	Explain the various cost elements.	10	CO1	BT2

PART-C: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT																												
8	<p>From the following particulars prepare a cost sheet for period ended on 31st March 2006.</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Particulars</th> <th>Rs.</th> </tr> </thead> <tbody> <tr> <td>Stock of Raw Material (1st Jan 2006)</td> <td>12,500</td> </tr> <tr> <td>Purchase of Raw Materials</td> <td>1,36,000</td> </tr> <tr> <td>Stock of Raw Material (Dec 31st 2006)</td> <td>8,500</td> </tr> <tr> <td>Purchase returns</td> <td>1,000</td> </tr> <tr> <td>Productive wages</td> <td>54,000</td> </tr> <tr> <td>Direct Expenses</td> <td>12,000</td> </tr> <tr> <td>Factory Overheads</td> <td>100% of direct wages</td> </tr> <tr> <td>Office and administration overheads</td> <td>20% of work cost</td> </tr> <tr> <td>Selling & Distribution overheads</td> <td>26,000</td> </tr> <tr> <td>Transfer fee</td> <td>12,000</td> </tr> <tr> <td>Income tax</td> <td>36,000</td> </tr> <tr> <td>Dividend paid</td> <td>10,000</td> </tr> <tr> <td>Profit on cost</td> <td>20%</td> </tr> </tbody> </table>	Particulars	Rs.	Stock of Raw Material (1st Jan 2006)	12,500	Purchase of Raw Materials	1,36,000	Stock of Raw Material (Dec 31st 2006)	8,500	Purchase returns	1,000	Productive wages	54,000	Direct Expenses	12,000	Factory Overheads	100% of direct wages	Office and administration overheads	20% of work cost	Selling & Distribution overheads	26,000	Transfer fee	12,000	Income tax	36,000	Dividend paid	10,000	Profit on cost	20%	10	CO1	BT3
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9	The following information is extracted from the manufacturing account of a factory for the year ending 31st December 1980. Materials consumed Rs.6,00,000; Direct wages Rs.4,00,000;	10	CO1	BT3																												

Factory expenses Rs.2,40,000; Office & Administrative expenses Rs.1,55,000 During the year 1981, the factory received a request from customer for quotation for the manufacture and supply of a machine for which the estimated cost of materials was Rs.40,000 and Rs.30,000 in wages. What should be the quotation for the factory desires to make a profit of 25% on the selling price?.

PART-D: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
10	<p>Material cost is one of the most important elements of the cost of a product. In certain types of products, material account for 60 to 70 percent of the total cost. Hence, there must be proper control over the materials.</p> <p>1. Define Material Control.</p> <p>2. Explain its objectives.</p>	10	CO2	BT3
11	<p>In PKR Limited, material consumption was as follows:</p> <p>Normal usage: 75 Units</p> <p>Maximum Usage: 100 units</p> <p>Minimum Usage :50 Units</p> <p>Reorder period: Minimum 2 weeks;</p> <p style="text-align: center;">Maximum 6 weeks</p> <p>Economic Order Quantity/Re order Quantity :200 Units</p> <p>Time sufficient for emergency supply :4 days</p> <p>Average daily requirement :12 Units</p> <p>Find out (a) Re-order level, (b) Minimum level (c) Maximum stock level (d) Average stock level.</p>	10	CO2	BT3

PART-E: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
12		10	CO2	BT3

Particulars	Units	Unit Cost
1st Jan Purchased	3000	3
4th Jan Purchased	6000	4
6Th Issue	5000	
10th Purchase	7000	4
15th Jan Issue	8000	
20th Jan Purchase	3000	5
23rd Jan Issue	1000	

Identify the quantity of closing stock as on 31st Jan and also its value under the FIFO Method.

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Particulars	Units	Unit Cost
Purchases		
1st Jan Purchased	4000	4
10th Jan Purchased	500	5
18th Jan Purchased	6,000	6
Issues		
15th Jan issued	2000	
25th Jan Issued	1000	
30th Jan Issued	2000	

Prepare Stores ledger account using the LIFO Method.

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CO2

BT3