



Even Semester End Term Examination, May / June 2026

Date: 23/05/2026

Time: 09.30 AM - 12.30 PM

Course Code: COM2009

Course Name: Cost Accounting

Semester: Fourth Semester

Max. Marks: 100

Weightage: 50%

CO - Levels	CO1	CO2	CO3	CO4	CO5
Marks	36	36	36	36	36

Part A: Answer Following Questions. 20 M

Qn.No	Questions	M	CO	BT
1	Mention any two examples each of factory overheads and selling & distribution overheads.	2	CO1	BT1
2	State the meaning of Cost Unit with an example.	2	CO1	BT1
3	About 50 items are required every day for a machine. A fixed cost of Rs.50 per order is incurred for placing an order. The inventory carrying cost per unit item amounts to Rs 7.30 per annum. Determine EOQ	2	CO2	BT3
4	Determine the Minimum Level when given with the following information: maximum usage is 75 units, minimum usage is 25 units, re-order quantity is 300 units, re-order period 2-4 weeks.	2	CO2	BT3
5	Distinguish between Primary Distribution and Secondary Distribution.	2	CO3	BT2
6	List any four examples of selling overheads.	2	CO3	BT1
7	State the meaning of Notional Profit.	2	CO4	BT1
8	The contract price is ₹10,00,000. Work certified amounts to ₹6,00,000 and notional profit is ₹1,50,000. Cash received is ₹4,50,000. Ascertain the amount of profit to be transferred to P&L Account if the contract is completed for more than 50% .	2	CO4	BT3
9	Given that fixed cost is Rs. 7,000, Profit Rs. 3,000 and sales Rs. 50,000. Calculate the P/V Ratio.	2	CO5	BT3
10	Find the Margin of Safety from the following data: Sales = Rs.1,00,000 Fixed Costs Rs= 30,000	2	CO5	BT3

Variable costs = Rs.50,000

Part B: Answer Any 1 Following Questions. 16 M

Qn.No	Questions	M	CO	BT																																				
11.a	Explain any six objectives of Cost Accounting.	6	CO1	BT2																																				
11.b	From the following information, prepare a Cost Sheet for the month of Dec 2016: <table><tr><td>Particulars</td><td>Rs.</td></tr><tr><td>Stock-on-hand – 1st Dec 2016:</td><td></td></tr><tr><td>Raw Materials</td><td>25,000</td></tr><tr><td>Finished Goods</td><td>17,300</td></tr><tr><td>Stock-on-hand – 31st Dec 2016:</td><td></td></tr><tr><td>Raw Materials</td><td>26,200</td></tr><tr><td>Finished Goods</td><td>15,700</td></tr><tr><td>Purchases of Raw Materials</td><td>21,900</td></tr><tr><td>Carriage on Purchases</td><td>1,100</td></tr><tr><td>Work-in-progress, 1-12-2016 at Works Cost</td><td>8,200</td></tr><tr><td>Work-in-progress, 31-12-2016 at Works Cost</td><td>9,100</td></tr><tr><td>Sale of Finished Goods</td><td>72,300</td></tr><tr><td>Direct Wages</td><td>17,200</td></tr><tr><td>Non-production Wages</td><td>800</td></tr><tr><td>Direct Expenses</td><td>1,200</td></tr><tr><td>Factory Overheads</td><td>8,300</td></tr><tr><td>Administration Overheads</td><td>3,200</td></tr><tr><td>Selling and Distribution Overheads</td><td>4,200</td></tr></table>	Particulars	Rs.	Stock-on-hand – 1st Dec 2016:		Raw Materials	25,000	Finished Goods	17,300	Stock-on-hand – 31st Dec 2016:		Raw Materials	26,200	Finished Goods	15,700	Purchases of Raw Materials	21,900	Carriage on Purchases	1,100	Work-in-progress, 1-12-2016 at Works Cost	8,200	Work-in-progress, 31-12-2016 at Works Cost	9,100	Sale of Finished Goods	72,300	Direct Wages	17,200	Non-production Wages	800	Direct Expenses	1,200	Factory Overheads	8,300	Administration Overheads	3,200	Selling and Distribution Overheads	4,200	10	CO1	BT3
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12.a	Differentiate between Cost Accounting and Financial Accounting. (any six)	6	CO1	BT2																																				
12.b	From the following information prepare a Statement of Cost of Production of the year 1993:- Opening Stock of raw materials Rs. 1,44,000; Purchase of raw material Rs. 8,64,000; Closing Stock of raw materials Rs. 2,16,000; Direct wages Rs. 3,60,000. Calculate factory overheads @ 20% on prime cost and office overheads @ 80% of factory overheads.	10	CO1	BT3																																				

Part C: Answer Any 1 Following Questions. 16 M

Qn.No	Questions	M	CO	BT
13.a	Compute the following level of stock:	6	CO2	BT3

	i. Re-order level ii. Maximum level iii. Minimum level iv. Normal usage – 50 units per week Minimum usage – 25 units per week Maximum usage – 75 units per week Re-order Quantity – 400 units Re-order period 4 – 6 weeks.																															
13.b	From the particulars stated here under: show how the maximum, minimum, reorder and average stock levels would be calculated Month Budget consumption (in units) Jan. 1975 — 300 Apr.1975- 600 July 1975--1000 Oct 1975---900 Feb. 1975 — 300 May1975- 800 Aug 1975 --1000 Nov 1975--600 Mar 1975 — 500 Jun 1975 – 1000 Sep 1975 -- 1000 Dec1975--400 Delivery period : 2 to 4 months, Reorder quantity: 1,000 units	10	CO2	BT3																												
14.a	Explain the meaning and advantages of FIFO method.	6	CO2	BT2																												
14.b	The following transactions took place in respect of an item of material: <table><thead><tr><th>Date</th><th>Receipts Quantity</th><th>Issue Quantity</th><th>Rate</th></tr></thead><tbody><tr><td>01-01-1986</td><td>400</td><td>—</td><td>3.20</td></tr><tr><td>08-01-1986</td><td>500</td><td></td><td>3.1</td></tr><tr><td>12-01-1986</td><td></td><td>300</td><td></td></tr><tr><td>15-01-1986</td><td></td><td>300</td><td></td></tr><tr><td>20-01-1986</td><td>600</td><td></td><td>3</td></tr><tr><td>27-01-1986</td><td></td><td>400</td><td></td></tr></tbody></table> Record the above transactions in the Stores Ledger, pricing the issue according to FIFO.	Date	Receipts Quantity	Issue Quantity	Rate	01-01-1986	400	—	3.20	08-01-1986	500		3.1	12-01-1986		300		15-01-1986		300		20-01-1986	600		3	27-01-1986		400		10	CO2	BT3
Date	Receipts Quantity	Issue Quantity	Rate																													
01-01-1986	400	—	3.20																													
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12-01-1986		300																														
15-01-1986		300																														
20-01-1986	600		3																													
27-01-1986		400																														

Part D: Answer Any 1 Following Questions. 16 M				
Qn.No	Questions	M	CO	BT
15.a	Rajesh Ltd. has three production departments (A, B, and C) and two service departments (D and E). The following figures are extracted from the records of the company: Depreciation of Machinery: ₹10,000; Rates: ₹5,000;	6	CO3	BT3

Lighting: ₹1,500;

Further details available:

Item	Total	A	B	C	D	E
Floor Space (sq.m)	10,000	2,000	2,500	3,000	2,000	500
Light Points	60	10	15	20	10	5
Direct Wages (%)	10,000	3,000	3,500	2,500	1,000	500
HP of Machines	150	60	40	30	15	5
Value of Machinery (₹)	2,50,000	60,000	80,000	1,00,000	60,000	50,000

Prepare a Primary Departmental Distribution Summary to apportion the costs to various departments.

15.b	Explain any five different bases of apportionment of overheads with suitable examples.	10	CO3	BT2
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16.a	In a factory, there are two service departments S₁ and S₂ and three production departments P₁ , P₂ and P₃ . In April, 2017 the departmental expenses were;	6	CO3	BT3
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Particulars	Production			Service	
	P1	P2	P3	S1	S2
Total departmental overhead as per primary distribution ₹	6,50,000	6,00,000	5,00,000	1,20,000	1,00,000

Service	Production Depts.			Service Depts.	
	P1	P2	P3	S1	S2
S1	30	40	15	—	15
S2	40	30	25	5	—

Prepare a statement showing the distribution of the two service departments' expenses to the three departments by Repeated **Distribution Method**

16.b	Overheads are indirect expenses that support the overall functioning of a business but cannot be directly linked to a specific product, job, or service.	10	CO3	BT2
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- Define overheads.
- Explain the classification of overheads with suitable examples

Part E: Answer Any 1 Following Questions. 16 M

Qn.No	Questions	M	CO	BT
17.a	Explain the following terms: (i) Work Certified	6	CO4	BT2

	(ii) Notional Profit			
	(iii) Principles for transferring notional profit to the Profit and Loss Account.			
17.b	A contractor is engaged in a contract valued at ₹4,00,000, which remains incomplete as on 31st March 1997. The following costs have been incurred: • Materials: ₹80,000 • Wages: ₹70,000 • Direct Charges: ₹50,000 • Plant at site: ₹20,000 • Establishment Charges: ₹10,000 Additional information: • Materials at site amount to ₹12,000 • Materials returned to stores amount to ₹5,000 • Work certified represents 80% of the contract price, and ₹2,00,000 has been received from the contractee • Cost of work uncertified is ₹10,000 • Depreciation on Plant @% p.a. Apply the principles of contract costing to compute the notional profit and determine the amount of profit to be transferred to the Profit and Loss Account.	10	CO4	BT3
18.a	Explain the features of Contract Costing.	6	CO4	BT2
18.b	The information given below has been taken from the records of an engineering works in respect of Job No. 101. Materials: Rs 4010 Wages: Department A-60 hours @ Rs.3 per hour Wages: Department B-40 hours @ Rs.2 per hour Wages: Department C-20 hours @ Rs. 5 per hour The overhead expenses are as follows: Variable Expenses: Department A Rs. 5000 for 5000 labour hours Department B Rs. 3000 for 1500 labour hours Department C Rs. 2000 for 500 labour hours Fixed expenses Rs. 20,000 for 10,000 working hours. Calculate the cost of Job No. 101 and price for the job to give a profit of 25% on the selling price.	10	CO4	BT3

Part F: Answer Any 1 Following Questions. 16 M

Qn.No	Questions	M	CO	BT									
19.a	Explain the following term: 1. Contribution 2. P/V Ratio 3. BEP	6	CO5	BT2									
19.b	You are required to determine: (a) P/V Ratio (b) Break-even point (in value) (c) Sales required to earn a profit of Rs.40,000 The sales turnover and profit of a company during two years was as: <table border="1"><thead><tr><th>Years</th><th>Sales</th><th>Profits</th></tr></thead><tbody><tr><td>2024</td><td>1,40,000</td><td>20,000</td></tr><tr><td>2025</td><td>1,60,000</td><td>25,000</td></tr></tbody></table>	Years	Sales	Profits	2024	1,40,000	20,000	2025	1,60,000	25,000	10	CO5	BT3
Years	Sales	Profits											
2024	1,40,000	20,000											
2025	1,60,000	25,000											
20.a	Explain any three marginal costing techniques with suitable examples.	6	CO5	BT2									
20.b	The sales turnover and profit of a company during two years was as: <table border="1"><thead><tr><th>Years</th><th>2025</th><th>2026</th></tr></thead><tbody><tr><td>Sales</td><td>32,00,000</td><td>57,00,000</td></tr><tr><td>Profit/loss</td><td>(3,00,000)</td><td>7,00,000</td></tr></tbody></table> Calculate - (a) P/V ratio, (b) Fixed cost, and (c) Sales required to earn a Profit of ₹ 12,00,000.	Years	2025	2026	Sales	32,00,000	57,00,000	Profit/loss	(3,00,000)	7,00,000	10	CO5	BT3
Years	2025	2026											
Sales	32,00,000	57,00,000											
Profit/loss	(3,00,000)	7,00,000											