



K23U 2292

Reg. No. : .....

Name : .....

**V Semester B.Com. Degree (CBCSS – OBE – Regular/Supplementary/  
Improvement) Examination, November 2023  
(2019 – 2021 Admissions)  
Core Course  
5B09COM : COST ACCOUNTING**

Time : 3 Hours

Max. Marks : 40

**SECTION – A  
(Very Short Answer)**

Answer **any six** questions from the following. **Each** question carries **one** mark.

1. Define 'Costing'.
2. What is 'Time Keeping' ?
3. Define an 'Idle Time'.
4. State any two differences between fixed cost and variable cost.
5. Define 'Escalation Clause'.
6. Distinguish between 'Joint Product' and 'By-Product' (any two points).
7. What is meant by 'Inventory Control' ?
8. What is 'Centralised Buying' ?

**(6×1=6)**

**SECTION – B  
(Short Essay)**

Answer **any six** questions. **Each** question carries **three** marks.

9. Distinguish between normal loss and abnormal loss.
10. Comment on :
  - a) VED analysis
  - b) JIT approach
  - c) ABC analysis.

P.T.O.



11. Distinguish between Bin Card and Stores Ledger.
12. Give the meaning and causes of Labour Turnover in an organization.
13. Write the key distinctions between Job Costing and Contract Costing.
14. Calculate the cost of sales and profit from the following details :

Prime cost – ₹ 51,000;

Works overhead – 20% on prime cost

Administrative OH – 10% on works cost

Selling OH – 5% on cost of production

Assume that the profit is 25% on sales.

15. Calculate EOQ from the following information :

Annual consumption – 10,000 kg

Cost of placing an order – ₹ 50

Cost per kg of material – ₹ 2

Storage cost is 8% on average inventory.

Also compute the number of orders to be placed in an year.

16. Layout the merits and demerits of the FIFO Method (any three points each).

(6×3=18)

SECTION – C  
(Long Essay)

Answer **any two** questions. **Each** question carries **eight** marks.

17. How do Cost Accounting and Financial Accounting differ from each other ?  
Outline the functions of Costing in detail.

18. The information given below has been taken from the records of engineering works in respect of Job No. 101 :

Materials ₹ 4,010

Wages : Department A – 60 hours @ ₹ 3 per hour

Wages : Department B – 40 hours @ ₹ 2 per hour



Wages : Department C – 20 hours @ ₹ 5 per hour

The overhead expenses are as follows :

Variable : Department A – ₹ 5,000 for 5,000 labour hours

Variable : Department B – ₹ 3,000 for 1,500 labour hours

Variable : Department C – ₹ 2,000 for 500 labour hours

Fixed : ₹ 20,000 for 10,000 working hours.

Calculate the cost of Job No. 101 and the price for the Job to give a profit of 25% on the selling price.

19. Product X needs 3 distinct processes and after the third process, the product is transferred to finished stock. Prepare various process accounts from the following information :

| Particulars      | Total (₹) | P <sub>1</sub> (₹) | P <sub>2</sub> (₹) | P <sub>3</sub> (₹) |
|------------------|-----------|--------------------|--------------------|--------------------|
| Direct Materials | 5,000     | 4,000              | 600                | 400                |
| Direct Labour    | 4,000     | 1,500              | 1,600              | 900                |
| Direct expenses  | 800       | 500                | 300                | —                  |
| Production OH    | 6,000     | —                  | —                  | —                  |

Production OH is to be allocated to different processes based on 150% of direct wages. Production during the period was 200 units. Assume there is no opening or closing stock.

(2×8=16)

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