



**DCLS – 303**



**III Semester B.Com. (LSCM) Examination, February/March 2024  
(NEP Scheme) (Freshers and Repeaters)**

**COMMERCE**

**Paper – 3.3 : Cost Accounting**

Time : 2½ Hours

Max. Marks : 60

**Instruction :** Answer should be written only in **English**.

**SECTION – A**

1. Answer **any 5** of the following questions. **Each** question carries **2** marks. **(5×2=10)**

- a) What is Cost Accounting ?
- b) What is Cost Reduction ?
- c) What are direct materials ? Give example.
- d) What is time rate system of wage payment ?
- e) Give the meaning of overheads.
- f) What is cost sheet ?
- g) What is labour turnover ?

**SECTION – B**

Answer **any 3** of the following questions. **Each** question carries **4** marks. **(3×4=12)**

2. State the objectives of cost accounting.

3. Find out EOQ from the following :

Annual consumption 4000 units, cost of material per unit ₹ 2, cost of placing and receiving one order ₹ 5, annual carrying cost of one unit is 8% of inventory value.

4. In a manufacturing company a material is used as follows :

Minimum consumption – 500 units per week

Maximum consumption – 1200 units per week

Re-ordering quantity – 4800 units

Time required for delivery – 4 to 6 week

Calculate :

- 1) Re-order level
- 2) Maximum level.

**P.T.O.**



5. During the first week of Jan. 2024, Mr. A produced 400 articles. He received wages for a guaranteed 48 hours a week at ₹ 5 per hour, the estimated time to produce one article is 12 minutes. Calculate his wages according to Halsey premium plan.
6. Calculate prime cost from the following information.

Opening stock of Raw materials = ₹ 12,500

Purchased Raw materials = ₹ 75,000

Expenses incurred on Raw materials = ₹ 5,000

Purchase Returns = ₹ 2,500

Closing stock of Raw materials = ₹ 20,000

Wages = ₹ 47,600, Direct expenses = ₹ 23,400

### SECTION – C

Answer **any 3** of the following questions. **Each** question carries **10** marks. **(3×10=30)**

7. The Sai Pvt. Ltd., supplies you the following information and requires you to prepare a cost sheet.

	₹
Stock of raw materials on 1 <sup>st</sup> Sept. 2022	75,000
Stock of raw materials on 30 <sup>th</sup> Sept. 2022	91,500
Direct wages	52,500
Indirect wages	2,750
Sales	2,00,000
Work-in-progress on 1 <sup>st</sup> Sept. 2022	28,000
Work-in-progress on 30 <sup>th</sup> Sept. 2022	35,000
Purchase of raw materials	66,000
Factory rent, rates and power	15,000
Depreciation of plant and machinery	3,500
Expenses on purchases	1,500



Carriage outwards	2,500
Advertising	3,500
Office rent and taxes	2,500
Traveller's wages and commission	6,500
Stock of finished goods on 1 <sup>st</sup> Sept. 2022	54,000
Stock of finished goods on 30 <sup>th</sup> Sept. 2022	31,000

8. The following transactions took place in respect of material super.

Date	Receipt	Rate per unit	Issues
4-6-2022	40 units	20	—
10-6-2022	60 units	24	—
15-6-2022	—	—	50 units
28-6-2022	50 units	26	—
30-6-2022	—	—	40 units

Prepare stores ledger account under simple average method.

9. With the help of the following information ascertain the wages paid to workers A, B and C under :

- a) Straight piece rate system.
- b) Taylor's differential piece rate system.

Standard time allowed 40 units per hour, simple time rate wages – ₹ 4 per hour

The workers produced in a day of 8 hours as follows :

A = 240 units, B = 320 units and C = 370 units.

10. A factory has 3 production Department and 2 service department. The overhead distribution summary shows the following total overheads.

Production Department A = ₹ 3,00,000

B = ₹ 3,50,000

C = ₹ 2,00,000

Service department D = ₹ 80,000, E = ₹ 60,000.



Expenses of service department are to be charged on a % basis as follows :

	A	B	C	D	E
P	30%	20%	30%	–	20%
Q	40%	30%	20%	10%	–

Show how the expenses of 2 service departments are to be charged to production department under

- Repeated distribution method
- Simultaneous equation method.

11. Explain differences between cost accounting and financial accounting.

### SECTION – D

Answer **any one** of the following questions. **Each** question carries **8** marks. **(1×8=8)**

12. Write the cost unit for the following industries.

- Cement
- Soft drink
- Transport
- Cotton
- Timber
- Mines
- Hotel
- Sugar

13. Write the format of purchase requisition note.