3054/1712

III Semester 5 Year B.Com. LL.B. Examination, Jan./Feb. 2026 (Odd Sem.)
COST ACCOUNTING

Duration : 3 Hours Max. Marks : 100

Instructions : 1. **Answer Q. No. 9 and any five of the remaining questions.**
2. **Q. No. 9 carries 20 marks and the remaining questions carry 16 marks each.**
3. **Answers should be written in English only .**

Q. No. 1. Explain the different types of budget. Marks : 16

Q. No. 2. The expenses for budgeted production of 10,000 units in a factory are given below : Marks : 16

Particulars	**CPU**
Materials	50
Labour	20
Variable O. H.	10
Fixed O. H. (Rs. 50,000)	5
Variable expenses (Direct)	2
Selling expenses (10% fixed)	10
Distribution expenses (20% fixed)	5
Administrative expenses (Rs. 40,000)	4
Total cost	**Rs. 106**

Prepare a flexible budget for production of 10,000 units, 8,000 units and 6,000 units indicating each item of cost per unit.

Q. No. 3. Modern Manufacturers Ltd. has 3 production departments P1, P2 and P3 and service department S1 and S2. The details of these departments are as under. Marks : 16

	P1	P2	P3	S1	S2
Direct wages	3,000	2,000	3,000	1,500	1,500
Direct materials	5,000	6,000	8,000	4,000	2,000
Labour hours	3,000	4,000	2,000	–	–
Value of machinery	60,000	80,000	1,00,000	5,000	5,000
HP of machines	60	30	50	10	–
Light points	10	15	20	10	5
Floor area	2,000	2,500	3,000	2,000	500
S1	20%	30%	40%	–	10%
S2	40%	20%	30%	10%	–

P.T.O.

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The following additional information are obtained from its records
Rent and taxes Rs. 5,000, Power Rs. 1,500, Lighting Rs. 600, Depreciation Rs. 10,000, Indirect wages Rs. 1,800, Sundry Rs. 9,000.
Prepare primary distribution summary and secondary distribution summary using Simultaneous equation method.

Q. No. 4. The following information pertains to three machines used in a shop. Marks : 16

	A	B	C
Rent and taxes	7,500	5,900	12,000
Insurance	200	100	400
Power (Rs. 4 per unit)	12,800	14,600	27,000
Administrative O. H.	5,000	3,700	7,600
Factory O. H.	30,700	25,200	38,900
Repairs	3,000	6,300	1,500
Oil and Sundries	800	1,500	1,000
Depreciation	4,000	3,700	6,800

Each machine uses 5 units of power per hour. Job no. 28 was completed with the help of these machines. The cost of materials and labour is Rs. 50,000 and Rs. 30,000 respectively. Machine A was used for 35 hours, Machine B was used for 40 hours, Machine C was used for 8 hours.
Compute machine hour rate and also factory cost of job no. 28.

Q. No. 5. Calculate the earnings of following workers for a week under Marks : 16

i) Taylor's plan
ii) Merrick's plan
iii) Gantl's plan

Time rate is Rs. 30 per hour. Standard output per hour is 6 units. Differential rates are low piece rate @ 80% of piece rate. High piece rate @ 120% of piece rate. In a day of 8 hours,

Chatur produced 39 units

Rancho produced 45 units

Raju produced 48 units

Farhan produced 50 units.

Q. No. 6. Details of receipts and issues of a material in a factory during March are as follows : Marks : 16

1st March – Opening balance 500 quintal @ Rs. 25

3rd March – Issued 70 quintals

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4th March – Issued 100 quintals

8th March – Issued 80 quintals

13th March – Received from seller 200 quintal @ Rs. 24.50

16th March – Issued 180 quintals

20th March – Received from vendor 240 quintal @ Rs. 26

24th March – Issued 280 quintals

25th March – Issued 140 quintals

28th March – Received from vendor 100 quintal at Rs. 25

Prepare 'LIFO' statement.

Q. No. 7. The records of Sahasra Buddhi industry show the following figures for the year 31st December 2024. Marks : 16

Material opening stock – Rs. 25,000

Purchases – Rs. 3,75,000

Closing stock – Rs. 75,000

Administrative O. H. – Rs. 37,500

Chargeable expenses – Rs. 25,000

Factory O. H. – Rs. 75,000

Selling O.H. – Rs. 37,500

Sales – Rs. 6,25,000

Direct wages – Rs. 1,00,000

Annual output (units) – 2,000

The industry wants to prepare a cost estimate for 1500 units for the year 2025. The following information is available

i) Material costs will increase by 20%.

ii) Labour will increase by 15%.

iii) Factory overheads will be in proportion to direct wages.

iv) Administrative overheads are fixed.

v) Selling overheads per unit remain same.

vi) The concern wants to make the exact % of profit earned in 2024 by quoting the price for 1500 units in 2025.

Prepare both statement of costs.

Q. No. 8. Write a short note on **any two** of the following. Marks : 2×8=16

(a) Material purchase procedure.

(b) Break even analysis

(c) Zero based budgeting.

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Q. No. 9. Solve **any two** of the following problems : Marks : 2×10=20

(a) You are given the following information :

Total fixed cost – Rs. 72,000

Total variable cost – Rs. 1,20,000

Sales – Rs. 2,40,000

Units sold – 80,000

Calculate Break even point and margin of safety.

(b) Prepare a cost sheet with 10 imaginary items and figures.

(c) From the following particulars calculate economic order quantity

Annual requirements – 1600 units

Cost of materials per unit – Rs. 40

Cost of placing and receiving one order – Rs. 50

Annual carrying cost of inventory 10% of inventory level.

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