QP CODE: 26023004

26023004

Reg No : .....

Name : .....

B.COM DEGREE (CBCS)SPECIAL RE APPEARANCE EXAMINATIONS, MAY 2026

(EXCLUSIVELY FOR THE FAILED CANDIDATES OF 2023 ADMISSION)

Sixth Semester

CORE - CO6CRT17 - COST ACCOUNTING - 2

(Common to all B.Com Degree Programmes)

2023 Admission Only

7ABE1CD9

Time: 3 Hours Max. Marks : 80

Instructions to Private candidates only: This question paper contains two sections. Answer SECTION I questions in the answer-book provided. SECTION II, Internal Examination questions must be answered in the question paper itself. Follow the detailed instructions given under SECTION II

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Distinguish between contract costing and job costing. (any two)
2. A ltd is committed to supply 24,000 bearings per annum to B ltd on a steady basis. It is estimated that it costs 10 paise per unit as inventory holding cost per month and that the set up cost per run of bearing manufacture is Rs. 324.
   (i) What should be the optimum lot size for bearing manufacture?
   (ii) What would be the interval between two consecutive optimum runs?
3. What are the advantages of cost plus contract to the Contractor?
4. What is log sheet?
5. Aravind owns a lorry of 6 Tonnes capacity. During a month it went on trips 20 days covering on an average 200 kms each day. 40% of the time it ran empty. It carried an average load of 80% of capacity during the period. Find out the total tonne kilometres for the month.
6. Discuss features of by-products.
7. What is Normal Process Loss?
8. Explain briefly the importance of contribution.

9. What is Break-Even Analysis?

10. List out any two advantages of Marginal Costing.

11. What do you mean by a Budget?

12. What is Rolling Budget?

(10×2=20)

Part B

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. From the following information, prepare job cost sheet for Job. No. 150

Direct Material consumed	Rs. 1,000
Direct Wages paid	Rs. 2,000
Factory expenses	60% on wages
Office expenses	20% on factory cost

The tender should include a profit of 20% on selling price.

14. VT Travels, a transport company, is running two buses between two places 100 kilometers apart. The seating capacity of each bus is 50 passengers. The following particulars are obtained from their books for the month of April 2019.

Wages of Drivers and Conductors	3,00,000
Salary of office staff	1,50,000
Cost of Diesel and Oil	6,00,000
Repairs and Maintenance	1,50,000
Insurance and Road tax	2,00,000
Depreciation	3,00,000
Interest	2,00,000
General overheads	50,000

The actual passengers carried were 80% of the capacity. The buses ran on all the 30 days in a month. Each bus made one round trip per day. Find out the cost per passenger kilometre.

15. Explain the various methods used for apportionment of joint costs to joint products.

16. A factory produces three products which originate from a joint process. Cost incurred and the relevant details are:

Joint Costs:

Materials	15,000
Labour	7,000
Overheads	6,900
Total	28,900

Subsequent Processing Costs:

	Product A (Rs)	Product B (Rs)	Product C (Rs)
Material	3,500	3,000	2,500
Labour	1,500	1,200	900
Overheads	1,000	800	700
Total	**6,000**	**5,000**	**4,100**
Sales Value	28,000	22,000	15,000
Estimated profit on sales	25%	20%	30%

Prepare a statement showing apportionment of joint cost under reverse cost method. Ignore Selling and Distribution overheads for determining the ratio of joint cost apportionment.

17. Enumerate five limitations of Absorption costing.

18. From the following calcualate P/V Ratio, Break-Even Sales, Margin of safety and Profit.
    Sales - Rs.4000
    Variable Cost - Rs.2000
    Fixed Cost - Rs.1600

19. You are given the following data:
    Budgeted Output- 80,000 units
    Fixed Expenses- Rs. 4,00,000
    Variable cost per unit - Rs.10
    Selling Price Per Unit- Rs. 20
    Draw a Break Even Chart showing the Break Even Point.

20. For Production of 10,000 Electrical Irons the following are budgeted expenses:

	Per unit (Rs)
Direct Materials	600
Direct Labour	300
Variable Overheads	250
Fixed overheads (Rs.1, 50,000)	150
Variable expenses (Direct)	50
Selling expenses (10% fixed)	150
Administrative expenses (Rs. 50,000 fixed for all levels of production)	50
Distribution expenses (20% fixed)	50
Total cost of sale per unit	1600

Prepare a budget for production of 6,000, 7,000 and 8,000 Irons

21. What are the preliminaries taken for the installation of a system of Budgetary Control?

(6×5=30)

Part C

*Answer any **two** questions.*

*Each question carries **15** marks.*

22. M/S Arun Nayak and Company undertook a contract on 1-1-2019. The contract price was Rs. 10,00,000. From the following particulars, prepare Contract Account for the year ended 31/12/2019.

	Amount		Amount
Machinery installed	50,000	Cash received	4,50,000
Materials issued	1,60,000	Retention money	50,000
Labour	1,30,000	Cost of work not certified	20,000
Direct expenses	6,000	Materials on hand	4,000
Overhead charges	5,000	Wages accrued	3,000
Materials returned	2,000	Value of machinery at the end	38,000

General plant costing Rs. 1,00,000 was used for 3 months. Depreciation at 20% p.a is to be provided. Material costing Rs. 2,000 were sold for Rs. 3,000. In addition, scraps were sold for Rs. 1,000. Material costing Rs. 8,000 were lost and Rs. 5,000 had been recovered from insurance company.

23. The product of Alpha company Ltd pass through 3 processes X, Y& Z. The normal wastage of the three process are 2%, 5%, & 10% respectively which are to be calculated on the number of units that enter into each process. The scrap value of wastage of each process are Rs10, Rs40, & Rs20 per 100 units respectively. It is assumed that output of each process is transferred to next process. Prepare process accounts on the basis of the following information .

	X	Y	Z
Materials consumed	6000	2000	2000
Direct labour	4000	3000	3000
Manufacturing Expenses	1000	2000	1000

10,000 units were put into process X at a cost of Rs 8000. The output of each process has been

X- 9800 units	Y- 9200 units	Z-8350 units

24. The following are the possible product mix in a factory:

i. 2,000 units of product A and 2,000 units of product C.

ii. 4,000 units of product B

iii. 1,000 units of product A, 2,000 units of product B and 1,600 units of product C.

Cost per unit is as follows:

	A	B	C
Direct materials	₹ 20	₹ 16	₹ 40
Direct wages	₹ 8	₹ 10	₹ 20

Fixed cost is Rs 20,000 and variable overheads per unit of A, B and C are Rs.2 Rs 4 and Rs 8 respectively. Selling prices of A, B and C are Rs 36, Rs 40 and Rs 100 per unit respectively. Determine the marginal contribution per unit of A, B and C and the profits resulting from product mixes (i),(ii) and (iii).

25. Prepare Cash Budget for three months from April to June 2022 if it is estimated that cash in hand on April 1st 2022 is Rs 40000.

Other details are as follows:

Month	Sales -Rs	Purchases- Rs	Wages- Rs	Expenses- Rs
February	120000	80000	10000	7000
March	130000	98000	12000	9000
April	70000	100000	8000	5000
May	116000	103000	10000	10000
June	85000	80000	8000	6000

1. Sales- 10% is realized in the month of sale and balance in 2 equal installments in the subsequent two months.
2. Purchases-Creditors are paid on the month following the supply.
3. Wages- 20% arrears paid in the next month.
4. Sundry expenses-paid in the month itself.
5. Income tax of Rs 20000 payable in June.
6. Income from investment Rs 2000 received half-yearly in March and September.
7. Dividend Rs. 12000 payable in June

(2×15=30)