

**2023/TDC (CBCS)/EVEN/  
SEM/COMHCC-401T/398**

**TDC (CBCS) Even Semester Exam., 2023**

**COMMERCE**

**( Honours )**

**( 4th Semester )**

**Course No. : COMHCC-401T**

**( Cost Accounting )**

*Full Marks : 70*

*Pass Marks : 28*

*Time : 3 hours*

*The figures in the margin indicate full marks  
for the questions*

**SECTION—A**

Answer any *ten* of the following as directed :

**2×10=20**

- 1. What is Cost Accounting?**
- 2. Mention any two objectives of Cost Accounting.**
- 3. Mention two differences between direct cost and indirect cost.**

4. Mention two reasons when FIFO can be used for pricing material issues.
5. What is ABC analysis method of material control?
6. What is meant by labour turnover?
7. What is meant by the term 'overheads'?
8. Give two examples of semi-variable overheads.
9. What is meant by apportionment of overheads?
10. \_\_\_\_\_ + \_\_\_\_\_ - Closing Stock = Raw Materials consumed.

( Fill in the blanks )

11. What is meant by job costing?
12. What is notional profit?
13. Mention two differences between non-integral and integral accounting systems.
14. What is Cost Ledger Control Account?
15. Write two needs of reconciliation of Costing and Financial Accounts.

## SECTION—B

Answer any *five* of the following questions :  $10 \times 5 = 50$

- 16.** The following data relate to the manufacture of a product during the month of May 2023 :

Raw Materials consumed—₹ 80,000  
 Direct wages—₹ 48,000  
 Machine hours worked—8000  
 Machine hour rate—₹ 4  
 Office overhead—10% of works cost  
 Selling overhead—₹ 1.50 per unit  
 Units produced—4000  
 Units sold—3600 units @ ₹ 50 each

Prepare a Cost Sheet showing cost per unit and profit for the period.

- 17.** What factors need consideration for installing a costing system in an organization? Discuss.
- 18.** From the following information, you are required to calculate Maximum Level, Minimum Level and Ordering Level for Materials X and Y :

	X	Y
Normal usage per week (units)	150	200
Reordering quantity (units)	900	1500
Maximum usage per week (units)	225	250
Minimum usage per week (units)	75	100
Reorder period (weeks)	12 to 18	6 to 12

19. Find out what an average labourer costs the employer for a month of 208 hours, assuming 8 hours a day from the following :

Average basic wage per hour—₹ 6

Average DA per hour—₹ 1

No. of unpaid holidays in a year—24

No. of unpaid holidays (festivals) in a year—3

No. of days sick leave with half-pay (in a year)—15

Provident fund  $6\frac{1}{4}\%$  of basic wages and DA

State Insurance 1% of basic wages and DA

Other amenities per month—₹ 21

20. What is meant by absorption of overheads? Discuss the factors to be considered for obtaining a rate to absorption of overheads.

21. The following yearly charges are incurred in respect of a machine in a shop, where manual labour is almost nil, and where work is done by means of 5 machines of exactly similar type and specification :

(i) Rent and rates—₹ 4,800

(ii) Depreciation on each machine—₹ 500

(iii) Repairs and maintenance for 5 machines—₹ 1,000

- (iv) Power consumed as per meter @ ₹ 1 per unit—₹ 60,000
- (v) Electric charges for the shop—₹ 450
- (vi) Attendants : 2 persons for 5 machines each, paid each ₹ 600 p.m.
- (vii) Supervisor : Looking after 5 machines is paid ₹ 2,500 p.m.
- (viii) Sundry supplies for the shop—₹ 450
- (ix) Hire-purchase instalment for the machine (including interest ₹ 300)—₹ 1,200
- (x) The machine uses 10 units of power per hour

Calculate Machine Hour Rate.

**22.** What is contract costing? Discuss how profit on incomplete contract determined.

**23.** A transport company is running two buses between two places 100 km apart. The seating capacity of each bus is 50 passengers. The following particulars are taken from their books for a month :

	₹
Wages of drivers, conductors and cleaners	3,000
Salary of supervisory and office staff	1,500
Diesel, oil, etc.	6,000

	₹
Repairs and maintenance	1,500
Taxation and insurance	2,000
Depreciation	3,000
Interest and other charges	2,500

The actual passengers carried were 80% of the capacity. The buses ran on all the days. Each bus made a to and fro trip.

Find out the cost per passenger/kilometer.

24. Discuss the different Control Accounts kept in the Costing Department.
25. Calculate the amount of profit as per Profit & Loss A/c on the basis of the following information :
- (i) Profit as per the Cost Accounts—  
₹ 1,50,300
  - (ii) Works overhead were under-recorded in the Cost Accounts—₹ 4,000
  - (iii) The administration expenses were under-recorded in the Financial Account—₹ 1,500
  - (iv) Depreciation charges were over-recorded in the Cost Account by ₹ 450
  - (v) Interest received on investments during the year amounted to ₹ 459

- (vi) Transfer fees amounting to ₹ 120 were received during the year in connection with the registration of transfer of shares
- (vii) The provision for income tax made in the Financial Accounts was ₹ 48,500

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