

Reg. No. : .....

Name : .....

**Sixth Semester B.Com. LL.B. (Five Year Integrated) Degree Examination,  
November 2025**

**Paper II — COST ACCOUNTING**

**(2020 Admission Onwards)**

Time : 3 Hours

Max. Marks : 80

**PART – A**

Answer any **five** questions. Each question carries **2** marks.

1. What is marginal cost?
2. Define cost centre with an example.
3. What is meant by idle time?
4. State any two differences between job costing and contract costing.
5. What is meant by over absorption of overheads?
6. Define opportunity cost.
7. Mention any two objectives of cost accounting.

**(5 × 2 = 10 Marks)**

**PART – B**

Answer **any four** questions. Each question carries **4** marks.

8. Explain the advantages of using a cost sheet.
9. Describe the different types of cost classification.

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10. Differentiate between fixed overhead and variable overhead.
11. From the following information, calculate Prime Cost:
  - Direct Materials: Rs.35,000
  - Direct Wages: Rs.20,000
  - Direct Expenses: Rs.5,000
12. Calculate Economic Order Quantity (EOQ) using the following information:
  - Annual usage: 3,600 units
  - Ordering cost per order: Rs.60
  - Carrying cost per unit per annum: Rs.6.

(4 × 4 = 16 Marks)

PART – C

Answer any four questions. Each question carries 6 marks.

13. Discuss the essential features of process costing.
14. What are the merits and demerits of standard costing?
15. From the following data, calculate the Machine Hour Rate:
  - Cost of machine: Rs.1,00,000
  - Life: 10 years
  - Scrap value: Rs.10,000
  - Estimated working hours: 2,000 per year
  - Power consumption per hour: 10 units @ Rs.5/unit
  - Repairs and maintenance: Rs.5,000 per annum

16. Calculate the labour cost per hour from the following:

- Basic salary: Rs.10,000 per month
- Dearness allowance: Rs.2,000
- Bonus: 10% on wages
- Working days: 25 days/month; 8 hours/day.

17. Explain the concept of break-even analysis with a suitable example.

(4 × 6 = 24 Marks)

#### PART – D

Answer any three questions. Each question carries 10 marks.

18. Define overhead. Explain the difference between overhead absorption and overhead apportionment.

19. From the following particulars, prepare a Cost Sheet showing cost of production and profit:

- Opening Stock of Raw Materials: Rs.15,000
- Purchases: Rs.75,000
- Closing Stock: Rs.10,000
- Direct Wages: Rs.40,000
- Factory Overheads: Rs.20,000
- Office Overheads: Rs.10,000
- Selling Expenses: Rs.5,000
- Sales: Rs.1,80,000.

20. YZ Ltd. manufactures a product that passes through three processes: A, B, and C. The following information is related to Process A for the month of June: Raw materials introduced: 10,000 units at Rs.10 per unit; Direct wages: Rs.30,000; Direct expenses: Rs.10,000; Overheads: 100% of direct wages; Normal loss: 10% of input (scrap value: Rs.2 per unit); Actual output: 8,800 units; Prepare the Process A Account showing cost per unit and value of abnormal loss or gain, if any.
21. The standard material requirement for 1 unit of product is 5 kg @ R.10 per kg. Actual material used for 100 units = 520 kg @ Rs.11 per kg.

Calculate:

- (a) Material Cost Variance
- (b) Material Price Variance
- (c) Material Usage Variance.

(3 × 10 = 30 Marks)