FYUG/Sem-4/AC-CE1

2026
(Regular)
Commerce (Core)
Paper Code : AC-CE-4214
Paper Name : Cost Accounting - I

Time : 2½ hours ***Full Marks : 60***

The figures in the margin indicate full marks for the questions

1. Answer the following questions as directed : 1×7=7
   a) Cost accounting is a technique of _____. (Fill in the blank)
   b) In EOQ, E stands for _____. (Fill in the blank)
   c) Cost of abnormal idle time is transferred to _____. (Fill in the blank)
   d) Aggregate of direct costs is known as _____. (Fill in the blank)
   e) Bin card is maintained by _____. (Fill in the blank)
   f) Cost of production is equal to prime cost plus work cost. (State True or False)
   g) First in first out method of valuing material issues is suitable in times of rising prices. (State True or False)

2. Answer the following questions : 2×4=8
   a) What is cost accounting ?
   b) What is the meaning of variable cost ?
   c) What is cost sheet ?
   d) Write the meaning of Ordering Cost.

3. Answer the following questions *(any three)*: 5×3=15
   a) State five objectives of Cost Accounting.

b) Write a note on ABC Analysis.

c) State the advantages and disadvatanges of time rate system of wages payment.

d) Mention five points of distinction between cost Accounting and Financial Accounting.

e) Annual requirement of a material is 20,000kg.
Order placing cost : Rs 25 per order.
Cost of raw materials : Rs 4 per kg.
Carrying cost : 4%
Calculate Economic Order Quantity and number of orders to be placed.

f) Mention benefits of Time and Motion Study.

4. Answer the following questions *(any three)*: 10×3=30

a) Discuss the role of a cost accountant in a manufacturing concern. 10

b) What is labour turnover ? What are its causes ? State its effect on cost of production. 2+3+5=10

c) Suman is employed in a factory. From the following information, calculate the earning per day of a worker under straight piece rate and Taylor's Differential Piece Rate System.
Normal Rate per hour - Rs. 2.40
Standard time per unit - 30 Seconds
Differentials to be applied :
80% piece rate below standard
120% piece rate above standard
Production achieved : 800 units per day
Working hours in a day = 8 hours. 5+5=10

d) The records of a factory have shown the following information for the month of January 2025.

Opening stock of finished goods (5000 units) Rs 45,000

Purchase of raw-materials Rs 2,57,100

Direct Wages Rs. 1,05,000

Factory overhead 100% of Direct Wages

Administrative Overhead Rs 1.00 per unit

Selling and distribution overhead ...10% of sales

Closing stock of finished goods .....10,000 units.

Sales (45000 units) Rs 6,60,000

Prepare a Cost Sheet showing per unit cost. 10

e) What is material control ? Explain advantages of material control. 3+7=10

f) From the following particulars, find out the value of closing Inventory as on 31-03-2025.

Purchases :

2025 March 3 : 400 kgs @ Rs 2.50 per kg.
7 : 800 kgs @ Rs 3.00 per kg.
17 : 500 kgs @ Rs 4.00 per kg.

Issues :

2025 March 5 : 600 kgs.
9 : 500 kgs.
25 : 600 kgs.

Stock on 1st March 2025 was 500 kgs valued Rs 2.00 per kg. The stock verification revealed that on March 27 there was a loss of 10 kg. Apply FIFO method. 10

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