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DCBC402

Reg. No. [| | | | | | | |]

IV Semester B.Com. (Regular)/T.T.M. Degree Examination, June/July - 2026

COMMERCE

Costing Methods and Techniques

(NEP Scheme Repeaters)

Paper : 4.2

Time : 2½ Hours **Maximum Marks : 60**

Instructions to Candidates :

Answer should be written completely in English only.

SECTION - A

Answer any Five of the following sub-questions. Each sub-question carries 2 marks.
(5×2=10)

1. a) What is process costing?
   b) What is service costing?
   c) Define Standard costing?
   d) Give the meaning of Break-even analysis?
   e) What do you mean by retention money?
   f) Write the meaning of work certified.
   g) What is material variance?

SECTION - B

Answer any Four of the following questions. Each question carries 5 marks.
(4×5=20)

2. From the following information calculate
   a) Total Kilometers
   b) Total passenger per Kilometer.

   Number of buses operated - 4

   Days operated in a month -30 days

   Trips made by each bus to a distance of 100 kms. On each side - 2

   Capacity of each Bus - 40 passengers

   Average Passengers travelling - 75% of capacity.

3. Given,

   Sales - 4000 units @ Rs. 10/- per unit.

   Break even point 1,500 units

   Fixed cost Rs. 3,000

   Calculate a) Variable cost and

   b) Profit

4. Distinguish between Job costing and contract costing.

5. The following direct costs were incurred on Job No. 415 of standard Radio company.

   Materials - Rs. 4,010

   Wages - Dept A - 60 hours @ Rs. 3/- per hour

   Dept B - 40 hours @ Rs. 2/- per hour

   Dept C - 20 hours @ Rs. 5/- per hour

   Overhead expenses for these three departments were estimated as followed :

   Variable overheads :

   Dept A - Rs. 5,000/- for 5,000 labour hours

   Dept B - Rs. 3,000/- for 1,500 labour hours

   Dept C-Rs. 2,000/- for 500 labour hours

   Fixed overheads :

   Estimated at Rs. 20,000/- for 10,000 normal working hours.

   You are required to calculate the cost of Job No. 415

6. A manufacturing concern furnishes following information. Standard material for 70 kgs finished product - 100 kgs.

   Price of the material is Rs. 1/- per kg.

   Actual : Output - 2,10,000 kgs

   Material used - 2,80,000 kgs

   Cost of Materials - Rs.2,52,000/-

   Calculate : a) Material usage variance

   b) Material price variance

   c) Material cost variance

SECTION - C

Answer any Two of the following questions. Each question carries 12 marks.

(2×12=24)

7. A Transport service company is running 4 buses between two towns which is 50 miles apart. Seating capacity of each bus is 40 passengers. The following particulars were obtained from their books for the month of April 2025.

Particulars	**Rs.**
Wages of drivers, conductors and cleaners	2,400
Salaries of office and supervisory staff	1,000
Diesel and other oil	4,000
Repairs and maintenance	800
Taxation, Insurance etc.	1,600
Depreciation	2,600
Interest and other charges	2,000
	14,400

Actual passengers carried were 75% of the seating capacity. All the four buses ran on all days of the month. Each bus made one round trip per day.

Find out the cost per passenger mile.

8. Bangalore chemical Co.Ltd produced three chemicals during the month of July 2025 by three consecutive processes. In each process 2% of the total weight put in is last and 10% is scrap, which from process I and II realizes Rs. 100/- a tonne and from process III Rs. 20/- a tonne.

The products of three processes are dealt with as follows :

Particulars	**Process I**	**Process II**	**Process III**
Passed on to next process	75%	50%	-
Sent to ware house for sale	25%	50%	100%

Expenses incurred

	Process - I		**Process - II**		**Process-III**	
	Rs.	**Tonnes**	**Rs.**	**Tonnes**	**Rs.**	**Tonnes**
Raw Materials	1,20,000	1000	28,000	140	1,07,840	1348
Manufacturing Wages	20,500	--	18,520	-	15,000	--
General Expenses	10,300	-	7,240	-	3,100	-

Prepare Process cost Accounts showing the cost per tonne of each product.

9. The RP construction company undertakes large contracts. The following particulars relate to contract No.125 which was carried out during the year ended on 31^{st} March 2025.

Particulars	Rs.	Particulars	Rs.
Work certified by Architect	1,43,000	Wages accrued on 31^{st} March 2025	1,800
Cost of work not		Direct expenditure	2,400
Certified	3,400	Materials on hand on	
Plant installed at site	11,300	31^{st} March 2025	1,400
Value of Plant as on		Materials returned to store	400
31^{st} March 2025	8,200	Direct expenditure	
Materials sent to site	64,500	Accrued on 31^{st} March 2025	200
Labour	54,800	Contract price	2,00,000
Establishment charges	3,250	Cash received from	
		contractee	1,30,000

Prepare a contract account for the period ending 31^{st} March 2025 and find out the profit. It was decided to transfer $2/3^{rd}$ of the profit on cash basis to P/L a/c.

SECTION - D

Answer any One of the following question. The question carries 6 marks. (1×6=6)

10. Mention the appropriate methods of costing applied for the following industries.

a) Rice mill

b) Printing press

c) Sugar Industry

d) Oil Refinary

e) KSRTC

f) Hospitals

11. Draw a BEP chart graphically with six imaginary figures.