

Program: SY B.COM (MS) - III Course: INTRODUCTION TO COST ACCOUNTING
 Program Code: UGMSO2 Course Code: NUMS303

Duration: 2 Hour

Max. Marks: 60

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Show workings wherever necessary.

Q. 1	(a)	Fill in the blanks with an appropriate answer from the alternatives given.	[08]	Course Outcome	Knowledge Level	
	I)	Piece rate = ₹4/unit, Units = 300. Total Earnings = _____ ?		CO3, CO4	L1 – L3	
	a.	₹600	b.			₹700
	c.	₹800	d.			₹1,200
	II)	Process cost = ₹180,000. Input = 12,000 units. Normal loss = 1200 units (scrap value ₹6 per unit). Net process cost per unit = ?				
	a.	₹15	b.			₹16
	c.	₹14.70	d.			₹13
	III)	Canteen expense = ₹16,000. No. of employees: Dept A = 60, Dept B = 40. Share of Dept A = ?				
	a.	₹7,200	b.			₹9,000
	c.	₹9,600	d.			₹12,000
	IV)	In process costing, abnormal loss is valued at:				
	a.	Scrap value	b.			Cost per unit
	c.	Zero	d.			Sales value
	V)	Time allowed = 20 hrs. Time taken = 16 hrs. Rate = ₹30/hr. Rowan plan = ?				
	a.	₹640	b.			₹576
	c.	₹570	d.			₹675
	VI)	Factory overheads are charged at 70% of direct wages. If direct wages are ₹100,000, what will be the factory overheads?				
	a.	₹40,000	b.	₹50,000		
	c.	₹30,000	d.	₹70,000		

CO3,
CO4

L1 - L3

		VII)	Standard time = 30 hrs, Time taken = 27 hrs, Rate = ₹50/hr. Under Halsey weir, earnings = ?				
		a.	₹1370	b.	₹1400		
		c.	₹1280	d.	₹1300		
		VIII)	In a process, 15,000 units are introduced. Normal loss = 1,500 units. If scrap value per unit = ₹2, total scrap value = ?				
		a.	₹1,500	b.	₹2,000		
		c.	₹3,000	d.	₹1,000		
	(b)	State whether the following statements are true or false.			(07)	Course Outcome	Knowledge Level
		I)	Prime cost includes direct material, direct labour, and direct expenses.			CO1, CO2	L1 , L2
		II)	Indirect materials like lubricants and cleaning supplies are part of factory overheads.				
		III)	Variable costs remain constant per unit, regardless of the level of output.				
		IV)	Process costing is applied where production is continuous and units are homogeneous.				
		V)	Administrative expenses are included in the calculation of factory cost.				
		VI)	Selling & distribution overheads are added to cost of production to get cost of sales.				
		VII)	Depreciation on plant and machinery is considered an indirect expense.				
Q. 2	(a)	Company: Bright Ltd. produces a product "Delta" through three processes A, B, C. Data for the month ended 31st March 2024:			(15)	CO4	L3, L4
		Particulars	Process A	Process B	Process C		
		Units introduced	15,000	-	-		
		Material cost (₹)	148,800	103,200	99,790		
		Direct wages (₹)	75,000	70,000	62,000		
		Manufacturing expenses (₹)	60,000	55,000	48,000		
		Normal loss	6%	10%	10%		
		Scrap value (₹/unit)	2	3	4		
		Actual output (units)	14,000	12,950	11,900		
		Requirement: Prepare the Process Accounts (A, B, C)					
OR							
	(b)	Galaxy Ltd. has 3 manufacturing departments X, Y, and Z, and 2 service departments A and B. The following actual costs for a period are given:			(15)	CO3	L3, L4

		OR															
	(b)	Working hours/week: 42 Wage rate: ₹10/hour Standard time per unit: 12 minutes Standard output: 210 units Piece rate: ₹2 per unit Actual output: X = 225, Y = 180, Z = 210 Required: Calculate earnings under: • - Straight Piece Rate • - Taylor Differential • - Merrick Differential	(08)	CO3	L4												
	(d)	Labour turnover details for June 2025: <table><tr><th>Particulars</th><th>No. of Labourers</th></tr><tr><td>Opening number of workers</td><td>2200</td></tr><tr><td>Closing number of workers</td><td>2080</td></tr><tr><td>Separations during the period</td><td>160</td></tr><tr><td>Replacements during the period</td><td>100</td></tr><tr><td>New additions (extra hires, not replacing)</td><td>20</td></tr></table> Required: Compute (a) Separation Rate (b) Replacement Rate (c) Flux Rate.	Particulars	No. of Labourers	Opening number of workers	2200	Closing number of workers	2080	Separations during the period	160	Replacements during the period	100	New additions (extra hires, not replacing)	20	(07)	CO3	L3, L4
Particulars	No. of Labourers																
Opening number of workers	2200																
Closing number of workers	2080																
Separations during the period	160																
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Q. 4	(a)	The following particulars apply to a factory where A, B, C, D and E work. • Normal rate per hour – ₹20 • Standard output per hour – 12 units • Standard hours – 20 hours In order to produce 240 units, the time taken was as follows (in hours): <table><tr><th>Workers</th><th>Hours</th></tr><tr><td>A</td><td>22</td></tr><tr><td>B</td><td>18</td></tr><tr><td>C</td><td>20</td></tr><tr><td>D</td><td>16</td></tr><tr><td>E</td><td>15</td></tr></table> Required: Calculate the earnings per worker under: a. Halsey Premium System b. Halsey-Weir System c. Rowan System	Workers	Hours	A	22	B	18	C	20	D	16	E	15	(15)	CO3	L3
Workers	Hours																
A	22																
B	18																
C	20																
D	16																
E	15																

Particulars	Rs.
Factory Rent	26000
Factory Insurance	13000
Power & Fuel	112000
Indirect Wages	104000
Canteen Expenses	45000
Depreciation on Plant & Machinery	106000
Repairs to Plant & Machinery	53000
Sundry Expenses	14000
Security Charges	26000
Fire Insurance on Stock	13000

Additional Information:

Particulars	X	Y	Z	A	B
Direct Wages (₹)	300000	120000	100000	-	-
Value of Stock (₹)	160000	60000	40000	-	-
Horse Power of Machinery	28000	16000	12000	-	-
Floor Space (sq. ft)	1100	800	500	100	100
Value of Plant (₹)	250000	160000	120000	-	-
No. of Employees	130	90	40	20	20

Prepare a statement showing the Primary Distribution of Overheads.

Q. 3 (a) Using the following details, prepare a cost sheet for the month of March 2025. **(15)**

Particulars	Amount (₹)
Sales	92,50,000
Office Rent	2,10,000
Finished Goods (Opening)	3,40,000
Carriage Inward	1,25,000
Work-in-Progress (Closing)	1,35,000
Bad Debts Written Off	20,000
Packing & Forwarding	1,65,000
Direct Wages	8,10,000
Freight/Carriage Outward	1,55,000
Depreciation—Plant	2,80,000
Raw Materials Purchased	20,90,000
Work-in-Progress (Opening)	1,30,000
Sales Promotion	2,45,000
Power & Fuel	3,60,000
Royalty (Special Tooling)	1,10,000
Finished Goods (Closing)	2,85,000
Office Salaries	2,95,000
Raw Material (Closing)	2,15,000
Factory Rent & Insurance	1,50,000
Raw Material (Opening)	1,85,000
Primary Packing	1,05,000

CO4

L4

		OR			
	(b)	Short Notes: (answer any 3)	(15)	CO1, CO2	L1, L2
		1. Cost of Sales – explain			
		2. Classification of cost			
		3. Types of Overheads			
		4. Time-based Labour incentive methods for wages			
		5. Normal Loss and Abnormal Loss			

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