(I) 07/10/2025

NEP - Semester End Examination – October 2025

Program: SYB.COM (A&F)-III **Course:** COST ACCOUNTING

Program Code: UGAF03 **Course Code:** NUAF202

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) Input = 10,000 units, Normal Loss = 10%. Expected output = _____?		CO2, CO3, CO4	L1, L2, L3
		a. 9,000 b. 9,500			
		c. 8,000 d. 10,000			
		II) Power cost = ₹15,000. Machine hours: Dept X = 1,000, Dept Y = 500. Overhead per machine hour = ?			
		a. ₹5 b. ₹10			
		c. ₹7.50 d. ₹15			
		III) Raw materials consumed are ₹30,000 and direct wages are ₹20,000. What is the prime cost?			
		a. ₹30,000 b. ₹35,000			
		c. ₹50,000 d. ₹25,000			
		IV) A process has input = 5,000 units. Normal loss = 250 units. Actual output = 4,900 units. Abnormal gain = ?			
		a. 100 units b. 50 units			
		c. 150 units d. Nil			
		V) Total factory rent = ₹20,000. Allocated equally to 4 departments. How much does each get?			
		a. ₹4,000 b. ₹5,000			
		c. ₹6,000 d. ₹8,000			
		VI) Standard time = 12 hrs, Actual time = 9 hrs, Rate = ₹20/hr. Bonus = 50% of time saved × rate. Earnings = ?			
		a. ₹180 b. ₹200			
		c. ₹210 d. ₹220			

		VII)	Total process cost = ₹1,80,000. Input = 9,000 units. Normal loss = 900 units (no scrap value). Cost per unit of output?					
			a.	₹20	b.	₹21		
			c.	₹22.22	d.	₹18		
		VIII)	If EOQ = 600 units, Annual demand = 7,200 units. Number of orders = ?					
			a.	10	b.	12		
			c.	14	d.	15		
	(b)	State whether the following statements are true or false.					**(07)**	**Course Outcome**	**Knowledge Level**
		I)	All expenses are direct expenses					**CO1, CO2**	**L1**
		II)	Normal losses are valued at Cost price						
		III)	50% of the time saved is given as bonus under the Rowan plan						
		IV)	Advertisement expenses are part of selling & distribution overhead.						
		V)	Carriage inward is classified as a direct expense.						
		VI)	Rent of factory is allocated to departments based on floor area						
		VII)	At EOQ, carrying cost = ordering cost						
Q. 2	**(a)**	The following are the details of the cost of manufacturing Product X of P Ltd. for March 2025.					**(15)**	**CO4**	**L4**

Particulars	Rs.
Sales	64,00,000
Opening Stock	
Raw Material	1,80,000
Work-in-Progress	90,000
Finished Goods	4,20,000
Raw Material Purchased	18,60,000
Carriage Inward	1,60,000
Carriage Outward	2,20,000
Primary Packing Cost	1,05,000
Delivery Charges	1,20,000
Sales Promotion Expenses	2,85,000
Warehouse Rent	2,10,000
Office Rent	4,60,000
Office Salary	2,70,000
Directors' Fees	30,000
Audit Fees	1,10,000
Repair & Maintenance (Factory)	2,20,000

	(c)	Zenith 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: **Particulars** / **Rs.** Factory Rent — 20000 Depreciation on Plant & Machinery — 60000 Power & Fuel — 90000 Canteen Expenses — 60000 Indirect Wages — 85000 Factory Insurance — 15000 Repairs to Plant & Machinery — 40000 Factory Lighting — 12000 Sundry Expenses — 18000 Security Charges — 25000 Additional Information: **Particulars** / **X** / **Y** / **Z** / **A** / **B** Direct Wages (₹) — 250000 / 120000 / 80000 / - / - Value of Stock (₹) — 140000 / 50000 / 30000 / - / - Horse Power of Machinery — 25000 / 20000 / 15000 / - / - Floor Space (sq. ft) — 900 / 600 / 300 / 100 / 100 Value of Plant (₹) — 200000 / 100000 / 100000 / - / - No. of Employees — 120 / 70 / 50 / 25 / 15 Prepare a statement showing the Primary Distribution of Overheads.	**(15)**	**C03**	**L4**
Q. 4	**(a)**	Opening stock on 2025-05-01: 600 units @ ₹22.00 per unit Transactions: **Date** / **Type** / **Qty (Units)** / **Rate (₹)** 2025-05-02 — Issue — 200 — - 2025-05-03 — Purchase — 300 — 23.00 2025-05-06 — Issue — 250 — - 2025-05-08 — Purchase — 400 — 22.50 2025-05-11 — Issue — 300 — - 2025-05-14 — Purchase — 350 — 21.75 2025-05-16 — Issue — 280 — - 2025-05-20 — Purchase — 200 — 22.25 2025-05-23 — Issue — 260 — - 2025-05-27 — Purchase — 300 — 21.50 Required: Prepare the Stores Ledger under FIFO method.	**(08)**	**C03**	**L4**
	(b)	i) Finished goods produced: 3,000 units per quarter ii) Raw material required per unit: 5.6 kg iii) Cost per kg of raw material: ₹25 iv) Ordering cost: ₹525 per order v) Carrying cost: ₹4 per unit annually Calculate: 1. EOQ 2. Total carrying cost (per annum at EOQ) 3. Total ordering cost (per annum at EOQ)	**(07)**	**C03**	**L3**
		OR			

Generator Charges (Factory)	55,000
Supervisor Salary (Factory)	2,30,000
Factory Cleaning Cost	1,05,000
Power & Fuel	3,60,000
Administrative Expenses	1,35,000
Closing Stock	
Raw Material	2,10,000
Work-in-Progress	1,10,000
Finished Goods	3,90,000

Required: Prepare the Cost Sheet

OR

(b) Company: Star Ltd. produces a product "Beta" through three processes Z, X, P. **(15)** **CO4** **L4**

Data for the month ended 31st March 2024:

Particulars	Process Z	Process X	Process P
Units introduced	10,000	-	-
Material cost (₹)	85,000	50,000	42,000
Direct wages (₹)	66,000	45,000	35,000
Manufacturing expenses (₹)	40,000	39850	25,000
Normal loss	5%	10%	8%
Scrap value (₹/unit)	2	3	4
Actual output (units)	9,300	8,500	7,700

Requirement: Prepare the Process Accounts (Z, X, P) showing treatment of normal and abnormal loss/gain.

Q. 3 **(a)** Labour turnover details for July 2025: **(07)** **C03** **L3**

Particulars	No. of Labourers
Opening number of workers	1100
Closing number of workers	1040
Separations during the period	80
Replacements during the period	50
New additions (extra hires, not replacing)	10

Required: Compute (a) Separation Rate (b) Replacement Rate (c) Flux Rate.

(b) Working hours/week: 48 **(08)** **C03** **L3**
Wage rate: ₹5.50/hour
Standard time per unit: 30 minutes
Standard output: 96 units
Piece rate: ₹2.75 per unit
Actual output: X = 110, Y = 80, Z = 96
Required: Calculate earnings under:

- - Straight Piece Rate
- - Taylor Differential
- - Merrick Differential

OR

	(c)	Short Notes: (Answer any 3)	(15)	CO1, CO2	L2
		1. Abnormal wastage			
		2. Primary Packaging and Secondary Packaging			
		3. Economic Order quantity and its importance			
		4. Time-based and piece-based system of wage calculation			
		5. Concept of FIFO and Weighted Average basis of stock valuation			

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