[This question paper contains 16 printed pages.]

Your Roll No...............

L

Sr. No. of Question Paper : 3213

Unique Paper Code : 2412082402

Name of the Paper : Cost Accounting

Name of the Course : **B.Com. (H.) UGCF – DSC**

Semester : IV

Duration : 3 Hours

समय : 3 घण्टे

Maximum Marks : 90

पूर्णांक : 90

Instructions for Candidates

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Attempt **all** questions.
3. **All** questions carry equal marks.
4. Use of simple calculator is allowed.
5. Answers may be written either in English or Hindi; but the same medium should be used throughout the paper.

छात्रों के लिए निर्देश

1. इस प्रश्न-पत्र के मिलते ही ऊपर दिए गए निर्धारित स्थान पर अपना अनुक्रमांक लिखिए।
2. सभी प्रश्नों के उत्तर दें।
3. सभी प्रश्नों पर समान अंक हैं।
4. साधारण कैलकुलेटर का उपयोग करने की अनुमति है।
5. इस प्रश्न-पत्र का उत्तर अंग्रेजी या हिंदी किसी एक भाषा में दीजिए, लेकिन सभी उत्तरों का माध्यम एक ही होना चाहिए।

1. (a) What are the essential principles of a good costing system? What are the objections to the introduction of a costing system? (9)

   (b) What is Cost Accounting? Distinguish between Cost Accounting and Financial Accounting. (9)

OR

(a) What are the methods of costing? Explain their adaptability in different industries. (6)

(b) The Beta Chemicals Co. supplies you the following details from its Cost records :

Particulars	Amount (Rs.)
Stock of raw materials on 1.1.2025	80000
Stock of raw materials on 31.1.2025	110000
Direct wages	45000
Indirect wages	8000
Purchase of raw materials	160000
Carriage inward	4000
Carriage outward	2000
Work in progress 1.1.2025	26000
Work in progress 31.1.2025	35000
Bad debts	1000
Factory rent, rates and power	12000
Depreciation of plant and machinery	8000
Traveller's wages	9000
Interest on hire-purchase instalment	5000
Advertising	12000
Office rent	12000
Stock of finished goods on 1.1.2025 (500 units)	10000
Stock of finished goods on 31.1.2025 (1000 units)	?

Prepare a Cost Sheet giving the cost and profits. The company wants to have a profit of 25% on cost. The units manufactured during the month were 10000 units. (12)

2. (a) What is Employee turnover? How is it measured and how will you treat it in cost accounts? (6)

(b) The following transactions occur in the purchase and issue of a material :

April 2	Purchased	2000 units @ Rs. 5 per unit
April 6	Purchased	1500 units @ Rs. 6 per unit
April 10	Issued	2200 units
April 12	Purchased	1700 units @ Rs. 4 per unit
April 15	Issued	1000 units
April 18	Refund of surplus from a work order	50 units @ Rs. 3 per unit
April 22	Issued	500 units
April 26	Purchased	800 units @ Rs. 5.50 per unit
April 29	Issued	1500 units

The stock verifier of the factory noted that on April 17 he had found a shortage of 10 units and on April 30 another shortage of 15 units.

From the above particulars prepare the Store Ledger Account using FIFO and LIFO method of pricing of material issues. (12)

OR

(a) What do you mean by inventory control? Explain techniques of inventory control. (9)

(b) The three workers X, Y and Z produced 80, 100 and 120 pieces respectively of a product 'Alpha' on a particular day of 8 hrs. in April in a factory. The time allowed for 10 units of Alpha is 1 hour and their hourly rate is Rs. 4. Calculate for each of these three workers: (a) Earnings for the day (b) Effective rate of earnings per hour, under

(i) Straight piece rate

(ii) Halsey Premium Plan

(iii) Rowan Premium Plan (9)

3. (a) In a factory, the following particulars have been collected for the three months. Compute the departmental overhead rates for each of the production departments assuming the overhead are recovered as a percentage of direct wages.

Particulars	Basis	Production Departments			Service Departments	
		A	B	C	D	E
Direct Wages	Rs.	2000	3000	4000	1000	2000
Direct Material	Rs.	1000	2000	2000	1500	1500
Staff	Nos.	100	150	150	50	50
Electricity	KWH	4000	3000	2000	1000	1000
Light Points	Nos.	10	16	4	6	4
Asset Value	Rs.	60000	40000	30000	10000	10000
Area occupied	Sq. Yd.	150	250	50	50	50

The expenses for the period were :

Motive Power	550	Depreciation	15000
Lighting	100	Repairs & Maintenance	3000
Stores overhead	400	General Overhead	6000
Amenities to staff	1500	Rent & taxes	275

Expenses of D & E departments are reapportioned as under using simultaneous equation method:

Departments	A	B	C	D	E
D	30%	40%	20%	--	10%
E	10%	20%	50%	20%	--

(18)

OR

(a) What is meant by under absorption and over absorption of overheads. How will you deal with them in cost accounts? (6)

(b) Calculate machine hour rate for recovery of overheads for a machine from the following information:

Cost of machine is Rs. 20,00,000 and estimated salvage value is Rs. 1,00,000. Estimated working life of the machine is 5 years. Annual working hours are 2000 in the factory. The machine is required 200 Hours per annum for repairs and maintenance. Setting-up time of the machine is 100 hours per annum to be treated as productive time. Cost of repairs and maintenance for whole working life of the machine is Rs. 2,00,000. Power used is 15 units per hour at a cost of Rs. 5 per unit. No power is consumed during maintenance and setting-up time. A chemical is required for operating the machine is Rs. 10,600 per annum. Wages of an operator is Rs. 6000 per month. The operator devoted one-third of his time to the machine. Annual insurance charges 3 per cent of cost of machine.

Light charges for the department are Rs. 3000 per month, having 56 points in all, out of which only 7 points are used at this machine. Other indirect expenses are chargeable to the machine are Rs. 9000 per month. (12)

4. (a) The following information relates to a building contract for Rs. 20,00,000 for two years i.e. 2023 and 2024 :

Particulars	2023	2024
Materials issued	600000	168000
Direct wages	460000	210000
Direct expenses	44000	20000
Indirect expenses	12000	2800
Work certified	1500000	2000000
Work uncertified	16000	--
Materials at site	10000	14000
Plant issued	28000	4000
Cash received	1200000	2000000

The value of plant at the end of 2023 and 2024 was Rs. 14000 and Rs. 10000 respectively. Prepare Contract Account and Contractee's Account for two years 2023 and 2024 taking into consideration such profit for transfer to profit and loss account as you think proper. (18)

OR

(a) Product X is obtained after it passes through three distinct processes. The following information is obtained from the accounts for the week ending 31 March 2026 :

Items	Total	Process		
		I	II	III
Direct Material (Rs.)	7542	2600	1980	2962
Direct Wages (Rs.)	9000	2000	3000	4000
Production Overhead (Rs.)	9000			
Output during the week (Units)		950	840	750
Noral Loss (%)		5%	10%	15%
Value of Scrap per unit (Rs.)		2	4	5

1000 units at Rs. 3 each were introduced to Process I. There was no stock of material or WIP at the beginning or at the end of the period. The output of each process passes direct to the next process and finally to finished stock. Production overhead cost is recovered on the basis of direct wages.

Prepare Process Accounts and other accounts. (18)

5. (a) What do you understand by Integrated Accounts and what are the principles involved? State the advantages of Integrated Accounts. (9)

(b) Bharat Transport Company has been given a route of 20 kms. long for running buses. The company has a fleet of 10 buses, each costing Rs. 50,00,000 and having a life of 5 years without any scrap value.

From the following estimated expenditures and other details calculate the bus fare to be charged from each passenger:

Insurance charges	3% p.a.
Road tax for each bus	Rs. 20000 p.a.
Garage rent	Rs. 10000 p.m.
Repairs for each bus	Rs. 10000 p.a.
Driver's salary for each bus	Rs. 5000 p.m.
Conductor's salary for each bus	Rs. 4000 p.m.
Commission to be shared by the driver and conductor equally	10% of the takings
Cost of stationery	Rs. 3000 p.m.
Manager's salary	Rs. 10000 p.m.
Accountant's salary	Rs. 8000 p.m.
Petrol and oil	Rs. 1500 per 100 kms.

Each bus will make 3 round trips carrying on an average 40 passengers on each trip. The bus will run on an average for 25 days in a month. Assuming 15% profit on takings. (9)

OR

(a) What is meant by the reconciliation of cost and financial accounts? Discuss the various reasons that may lead to discrepancies between cost and financial accounts maintained by an organisation. (9)

(b) What is Job Costing? Explain the difference between Job Costing and Process Costing. (9)

1 (क) एक अच्छी लागत प्रणाली के आवश्यक सिद्धांत क्या हैं? लागत प्रणाली को लागू करने पर क्या आपत्तियां उठाई जा सकती हैं? (९)

(ख) लागत लेखांकन क्या है? लागत लेखांकन और वित्तीय लेखांकन में अंतर स्पष्ट कीजिए। (९)

या

(क) लागत निर्धारण की विधियाँ क्या हैं? विभिन्न उद्योगों में उनकी अनुकूलता स्पष्ट कीजिए। (६)

(ख) बीटा केमिकल्स कंपनी आपको अपने लागत अभिलेखों से निम्नलिखित विवरण प्रदान करती है :