

**2008000204050011**  
**EXAMINATION NOVEMBER 2024 (ATKT EXAM)**  
**BACHELOR OF COMMERCE (HONORS) (FOURTH SEMESTER)**  
**COST ACCOUNTING - III - LEVEL5**

[Time: As Per Schedule]

[Max. Marks: 50]

**Instructions:**

1. Fill up strictly the following details on your answer book
  - a. Name of the Examination: **BACHELOR OF COMMERCE (HONORS) (FOURTH SEMESTER)**
  - b. Name of the Subject: **COST ACCOUNTING - III - LEVEL5**
  - c. Subject Code No: **2008000204050011**
2. Sketch neat and labelled diagram wherever necessary.
3. Figures to the right indicate full marks of the question.
4. All questions are compulsory.

Seat No:

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Student's Signature

**Q.1** (A) Find out Passenger kilometre rent for the bus of Ramraj Transport Co. **4**

Km.	Passengers
1	25,000
2	50,000
3	40,000
4	20,000
5	5,000

Total expenditure is Rs. 45,500 and Rs.0.10 profit is expected per passenger kilometre.

(B) Calculate from the following information: **4**

1. Material Cost Variance
2. Material Price Variance
3. Material Usage variance
  1. Purchase of materials 6000 units
  2. Cost of purchase of materials Rs. 18,000
  3. For Production of one tonne standard quantity of material required 60 unit
  4. Standard price Rs.2.50 per unit
  5. Opening stock of materials: nil
  6. Closing stock of material: 1000 unit
  7. Actual production for a period 80 tonnes

(C) The data about wages paid in factory are as follows

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Type	Standard	Actual
Skilled	200 hours at Rs.4	210 hours at Rs.4.40
Semi-skilled	200 hours at Rs.3	190 hours at Rs.2.80

Calculate Labour Rate variance

**Q.2** XYZ undertook one contract of Rs.50,00,000 and commenced its work from 01-04-2021. The accounting year ends on 31<sup>st</sup> December. Expenses relating to this contract are as under: **14**

(1) Material Cost	13,50,000
(2) Wages paid	3,50,000
(3) Overhead charges	50,000
(4) Machine issued (01-04-2021)	5,00,000
(5) Special machine issued (01-05-2021)	50,000

Additional Information

1. Out of materials issued, material of Rs. 50,000 was immediately sold at at Rs. 25,000.
2. Outstanding wages on 31-12-2021 are Rs. 50,000
3. Out of machines issued, machines of Rs. 40,000 were supplied to the another Contract on 01-07-2021. While a machine costing Rs. 45,000 was burnt by fire on 01-09-2021 and insurance company accepted a claim of Rs. 30,000 against it. In Addition ,01-10-2021 a machine costing Rs. 15,000 was sold for Rs. 14,000
4. A Special machine issued is sold for Rs. 30,000 on 01-09-2021.
5. Provide 10% depreciation on machine.
6. At the end of the year, work certified was Rs.15,00,000, while materials on Hand were Rs. 50,000 and the contractee gives cash at 80% of work certified.

Form the above information prepare contract Account and Calculate profit on Scientific basis

**Q.3** A Product Passes through three processes A, B and C and there after it is transferred to finished stock. The information is as under: **14**

Particulars	Process A	Process B	Process C
Units introduced (per unit Rs.100)	(?)	-----	-----
Normal wastage (percentage of input)	2.5%	5%	10%
Sales value of wastage Rs.(per unit)	25	50	60
Abnormal wastage( No. of unit)	500	550	-----

Cost per unit of abnormal wastage Rs.	150	200	-----
Abnormal gain ( No.of unit)	-----	-----	500
Cost per unit abnormal gain Rs.	-----	-----	250
Actual production (percentage of unit introduced)	95%	(?)	(?)

Additional Information

- 1) The abnormal wastage was 100% of the normal wastage in Process A
- 2) Factory overhead to be distributed as 25% of direct wages in all three Processes. From the above information prepare process accounts, Abnormal Loss Account and Abnormal Gains Account

**Q.4 Write short notes: (Any Two)**

**12**

- (1) Operating costing
- (2) Advantages of standard costing
- (3) Normal and Abnormal wastage in Process costing

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