

**Vidya Vikas Mandal's**  
**Shree Damodar College of Commerce & Economics, Margao-Goa**  
**SY B.Com, Semester-III, Semester End Examination, November 2022**  
**Fundamentals of Cost Accounting (CC 10)**

**Duration: 2hrs**

**Max Marks: 80**

**Instructions:**

- i. Q.1 is compulsory.
- ii. Answer any three from Q.2 to Q.6.
- iii. Start each question on fresh page.
- iv. Figures to the right indicate maximum marks.
- v. Working notes form the part of the answer and carries marks.

Q1) Snowflake ltd. provides the following data pertaining to Product T13, prepare cost sheet for the quarter ending 30/9/2022

Particulars	Amount (Rs.)
Opening Stock of raw materials	1,50,000
Purchase of raw materials	7,00,000
Closing Stock of raw materials	1,75,000
Direct expenses	50,000
Packaging charges	65,000
Labour charges paid	75,000
Fuel and power	1,05,000
Directors' remuneration	1,15,000
Carriage and Freight inward	25,000
Carriage and Freight outward	35,000
Indirect wages	55,000
Salary and traveling allowance of salesmen	1,12,500
Salary paid to office staff	1,75,000
Office Lighting charges	65,000
Factory Lighting Charges	80,000

Warehousing expenses	75,500
Depreciation on machinery	30,000
Depreciation on office computer	20,000
Factory insurance paid	35,000
Factory printing expenses	25,000
Other office expenses	59,000
Office printing expenses	16,500
Bad debts	26,000
Stationery for sales department	2000
Sales	24,97,300

( 20 Marks)

Q2) Product AL66 passes through three distinct processes I, II and III. In each process 5% of total weight is lost and 10% is scrap. Scrap realizes Rs. 4 for process I, Rs. 6 for process II and Rs. 8 for Process III. The following details are available.

Particulars	Process I (Rs.)	Process II (Rs.)	Process III (Rs.)
Materials used in Units	1,400	1,000	603
Cost per unit of materials	Rs. 22	Rs. 28	Rs. 40
Wages	Rs. 15,000	Rs. 12,000	Rs. 6,000
Other expenses	Rs.7,000	Rs. 5,000	Rs. 4,000

20 % of the output of process I is sent to warehouse and 80 % is sent to Process II. 50 % of the output of process II is sent to warehouse and 50 % is sent to Process III. 100 % of the output of process III is sent to warehouse.

Prepare Process I A/c, Process II A/c and Process III A/c

(20 Marks)

Q3) Smart-tech Engineering Co. have two projects in progress. The following are the details of the two projects for the year ending 31<sup>st</sup> March 2021.

Particulars	Contract	Contract
	No. 246 (Rs.)	No. 250 (Rs.)
Material issued	12,60,000	5,70,000
Wages	3,60,000	3,15,000
Plant installed at site	4,50,000	4,20,000
Direct expenses	3,00,000	2,10,000
Indirect expenses	1,80,000	1,20,000
Architect's fees	30,000	24,000
Wages outstanding on 31 <sup>st</sup> March 2021	45,000	30,000
Plant at site as on 31 <sup>st</sup> March 2021	4,05,000	3,78,000
Material at site as on 31 <sup>st</sup> March 2021	1,20,000	45,000
Contract Price	36,00,000	24,00,000
Materials returned to stores	36,000	21,000
Work certified	21,30,000	15,00,000
Work uncertified	69,000	57,000
Cash received	20,70,000	13,65,000

During the year material amounting to Rs. 24,000 have been transferred from Contract No. 246 to Contract No. 250. Prepare contract A A/c and Contract B A/c for the year ending 31<sup>st</sup> March 2021.

(20 Marks)

(B) Sweetreats Ltd. Manufactures candies which passes through two processes manufacturing process and packaging process. It is ascertained that in each process 10 % of the total weight is lost and 5 % is scrap from the manufacturing and packaging process which realizes Rs. 240 per kg and Rs. 760 per kg respectively.

The following information is available pertaining to both the processes.

Particulars	Manufacturing Process	Packaging Process
Materials in kgs.	8000	400
Cost of materials per kg.	Rs. 740	Rs. 1080
Wages paid	Rs. 2,40,000	Rs. 1,76,000
Manufacturing Expenses	Rs. 68,000	Rs. 60,000

Prepare Manufacturing Process A/c and Packaging Process A/c.

(10 Marks)

Q.6) Write short notes on:

(4 x 5 = 20 Marks)

1. Sub-contract Cost.
2. Joint Product and By-Product.
3. Classification of Cost.
4. Objectives of Cost Accounting.