

KGUC
(NEP 2020)
Semester Exam October - 2025
Sub – Cost Accounting – I

Class: SYBAF

Marks: 30

Semester - III

Time: 1 hrs.

Note:

- Attempt any four questions.
- All Question carries 15 Marks each.
- Figures to the right indicate maximum marks.
- Working notes should form part of your answers.
- Use of simple calculator is allowed.

Q.1. JSK Bank operated for years under the assumption that profitability can be increased by increasing Rupee volume. But that has not been the case. Cost has revealed the following:

(15)

Activity Based Costing Data

Activity	Activity Cost (₹)	Activity Driver	Activity Capacity
Providing ATM Service	1,40,000	Number of Transactions	2,80,000
Computer Processing	14,00,000	Number of Computer Transactions	35,00,000
Issuing Statements	11,20,000	Number of Statements	7,00,000
Customer Inquiries	5,04,000	Telephone Minutes	8,40,000

The following annual information on three products was also made available:

Activity	Saving Accounts	Personal Loans	Credit Cards
Units of Product	42,000	7,000	14,000
ATM Transactions	2,52,000	0	28,000
Computer Transactions	2,80,000	2,80,000	4,20,000
Number of Statements	4,20,000	70,000	2,10,000
Telephone Minutes	4,90,000	1,26,000	2,24,000

Required:

1. Calculate rates for each activity.
2. Calculate the cost of each product.

Q2 (a) The following information is available from the books of MK Ltd. for the year 2023 and 2024:

(08)

Particulars	2023	2024
Stock Turnover Ratio	4 Times	?
Opening Stock (Rs.)	40,000	30,000
Closing Stock (Rs.)	80,000	50,000
Purchases (Rs.)	?	3,40,000

From the above information, find out:

1. Purchases and Cost of Goods Sold for the year 2023.
2. Stock Turnover Ratio and Cost of Goods Sold for the year 2024.

Q2 (b) Vasco Ltd. has collected the following data for one of its material X, which is as follows:

(07)

- Annual demand = 48,000 units
- Cost per item = Rs. 20
- Interest of the locked-up capital = 3%
- Pilferage while holding inventory = 2%
- Other holding cost = 5%
- Order processing cost = Rs. 120 per order

You are required to calculate:

1. What should be the EOQ? (03 Marks)
2. The number of orders to be placed in a year. (02 Marks)
3. The Total Annual Ordering Cost. (01 Mark)
4. The Total Annual Carrying Cost. (01 Mark)
5. The Total Annual Material Cost. (01 Mark)

Q.3.

Particulars	Component A	Component B
Normal Usage	1500 units per week	1500 units per week
Maximum Usage	2250 units per week	2250 units per week
Minimum Usage	750 units per week	750 units per week
Reorder Quantity	12,000 units	18,000 units
Reorder Period	4 to 6 weeks	2 to 4 weeks

Required to Calculate (for each component):

(15)

1. Reorder Level
2. Minimum Level
3. Maximum Level
4. Average Stock Level

Q.4. A) From the following data provided to you.

(08)

At the beginning of the month - 1600; At the end of the month -2000

During the month 20 workers left, 65 workers were discharged and 230 workers were recruited. Of these 35 workers were recruited in the vacancies of those leaving, while the rest were engaged for an expansion scheme

Find out the Labour turnover rate by applying

- Flux Method
- Replacement Method
- Separation Method No. of workers on the payroll

Q4. (B) Calculate Total Earnings under:

(07)

- i. Halsey Plan
 - ii. Rowan Premium Plan
- **Standard output per hour:** 250 units
 - **Actual output in a 180-hour week:** 50,000 units
 - **Wage rate:** Rs. 300 per hour

Q.5. (A) Standard time set for Job X and Job Y is **40 hours** and **200 hours** respectively.
Mr. A is engaged on Job X and Mr. B is engaged on Job Y.

- Mr. A is paid under **Halsey Plan**.
- Mr. B is paid under **Rowan Plan**.

Details:

- **Mr. A:** Time rate per hour = Rs. 4, Actual time taken = 24 hours
- **Mr. B:** Time rate per hour = Rs. 2.50, Actual time taken = 120 hours

Calculate earnings and effective rate of earnings of both Mr. A and Mr. B. (08 Marks)

Q.5 B) From the following information calculate Material Turnover Ratio and express it in number of Days. You are required to consider 365 days in a year. (07)

Particulars	Materials A Rs.	Materials B Rs.
Opening Stock	13,000	14,000
Purchases	94,000	1,76,000
Closing Stock	7,000	10,000

Q.6. From the following data, calculate:

(15)

1. Economic Order Quantity (EOQ) by Formula Method
2. Economic Order Quantity (EOQ) by Tabulation Method
3. Number of orders to be placed
 - Annual Demand (D) = 10,000 units
 - Interest on locked up capital = 20%
 - Order processing cost per order = ₹ 25
 - Inspection cost per order = ₹ 10
 - Follow up cost for each order = ₹ 15
 - Pilferage while holding inventory = 5%
 - Other holding cost = 15%
 - Cost per unit (C) = ₹ 10
