

SARASWAT EDUCATION SOCIETY'S
SRIDORA CACULO COLLEGE OF COMMERCE & MANAGEMENT STUDIES
KHORLIM, MAPUSA-GOA
F.Y.B.COM. SECOND SEMESTER END ASSESSMENT, APRIL 2026
(Major-1) COM-101 ELEMENTS OF COST
(UNDER NEP 2020 W.EN. ACADEMIC YEAR 2023-24)

Printed Pages: 04

Duration: 2 HOURS

TOTAL MARKS: 80 MARKS

Instructions:

1. The paper consists of five main questions with equal marks.
2. Each main question will have sixteen marks respectively.
3. All main questions are compulsory, however internal choice is available in Question Nos. 2 (a), 3 (b), 4 (b) and 5 (b)
4. The figure to the right indicates Maximum Marks for the question and sub-questions.

Q1. Answer All of the following questions:

(2X8 = 16)

- a) Define the concept of cost and costing.
- b) Explain the scope of cost accounting.
- c) Describe the concept of need for material control.
- d) State the economic ordering quantity (EOQ) from the following particulars:
Annual Usage: 1,600 kgs
Cost of placing and receiving one order: Rs. 50
Annual Carrying Cost: Rs. 1 per unit
- e) List any two objectives of cost sheet.
- f) Match the following overhead cost with its basis of apportionment/allocation:

1) Rent	a) Horse Power of Machine
2) Depreciation on Plant	b) No. of Employees
3) Canteen Expense	c) Area
4) Power	d) Value of Plant

- g) Describe cost unit.
- h) From the following information identify the Prime Cost. Raw Material
Consumed: Rs. 24,000
Closing Stock: Rs. 2,000
Opening Stock: Rs. 5,000

Q2. a) i) The following transactions occur in purchases and issues of Material (12)

X. The opening balance on 1st March 2026 was 600 units @ Rs. 1 per unit.

DATE	Particulars (in units)	Rate (in
01-03-2026	Purchased 200 units	2
02-03-2026	Issued 600 units	
10-03-2026	Purchased 1000 units	2.5
16-03-2026	Issued 500 units	
19-03-2026	Purchased 600 units	3
21-03-2026	Issued 400 units	
25-03-2026	Purchased 400 units	3.5
30-03-2026	Issued 600 units	

Identify the closing value of inventory with the help of a statement showing valuation of Inventory from the above using First In First Out (FIFO) method.

OR

ii) Explain the different classifications of Cost. (12)

b) Discuss the role of cost accountant in an organization (any 4 points). (4)

Q3. a) Following information is provided to you: (12)

Rate per hour: Rs. 20

Standard Time allowed for producing completing the job: 100 Hours Time Taken by Mr. X is 70 Hours while Time Taken by Mr. Y is 90 Hours.

Determine the wages of Mr. X and Mr. Y under:

1) Halsey's Method

2) Rowan's Method

b) i) A company expects employees to produce a standard output of 100 units per week and offers Rs. 70 per unit produced. Mr. Salkar produces 250 Units in a week. (4)

Taylor's Differentials used by the company: 80% for below standard and 120% for at or above standard.

Determine the weekly wages of Mr. Salkar.

OR

ii) Explain the effects of employee turnover.

(4)

- Q4. a) A company is having two production departments namely P and Q and two service departments S1 and S2. The expenses incurred during the month of March, 2026 as follows:

Expenses	Amount (Rs.)
Electricity	5,000
Insurance on Assets	36,000
Power	30,000
Rent & Taxes	40,000
Depreciation	20,000
Canteen Expense	30,000

Particulars	P	Q	S1	S2
Area (Sq. Ft.)	5,000	2,000	2,000	1,000
No. of Workers	80	40	50	30
HP of Machines	100	160	30	10
Value of Assets (Rs.)	10,000	4,000	3,000	1,000
No. Light Points	30	15	10	5

Prepare Statement showing Primary Distribution.

- b) i) Following is the Cost of Departments of Company 'K' after primary distribution for the year ended 31st March 2026:

(4)

Particulars	Production Depts.			Service Depts.	
	P	Q	R	S1	S2
Total Overheads as per Primary Distributions	80,000	70,000	50,000	10,000	20,000

It has been decided by the company to distribute the expenses of service departments to the production departments based on direct method in the following ratio:

- 1) Distribute the expenses of Dept S1 to Depts P, Q and R in the ratio of 5:3:2
- 2) Distribute the expenses of Dept S2 to Depts P, Q and R in the ratio of 3:2:5

Compute the total overheads after secondary distribution with the help of a statement.

OR

- ii) Explain the Importance of Overheads.

(4)

- Q5. a) Kesari India Pvt Ltd furnishes you the following information for the year ended 31st March 2026. (12)

Particulars	Amount
Opening Stock of Raw Material	1,00,000
Closing Stock of Raw Material	1,50,000
Raw Material Purchased	10,50,000
Office Salaries	50,000
Carriage Inward	50,000
Repairs to Plant and Machinery	35,000
Rent – Factory	10,000
Rent – office	15,000
Salesmen Salaries & Commission	20,000
Productive Wages	4,20,000
Depreciation – Plant & machinery	30,000
Depreciation – Office Furniture	7,000
Director's fees	60,000
Power charges – factory	8,000
Power Charges – Office	4,000
Managers Salary	50,000
Loose tools written off	10,000

Other Information: Manager devotes 3/4th time to factory and 1/4th time to office.

Prepare detailed Cost Statement for the year ended 31st March 2026.

- b) i) From the following information, determine Factory Cost. (4)

Prime Cost: Rs. 35,000

Factory Overheads: Rs. 15,000

Opening Stock of WIP: Rs. 15,000

Closing Stock of WIP: Rs. 12,000

OR

- ii) Write a short note on Estimated Cost Sheet. (4)

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