| Roll No. | | | | | | | | | | | | |
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# PRESIDENCY UNIVERSITY

**BENGALURU**

## Mid - Term Examinations – October 2025

**Date** 10-10-2025 **Time:** 09.30am to 11.00am

| | | |
|---|---|---|
| **School:** SOC | **Program:** B.Com | |
| **Course Code:** COM3057 | **Course Name:** Costing Techniques for Managerial decisions | |
| **Semester**: V | **Max Marks**:50 | **Weightage**:25% |

| **CO - Levels** | **CO1** | **CO2** | **CO3** | **CO4** | **CO5** |
|---|---|---|---|---|---|
| **Marks** | 28 | 22 | - | - | - |

**Instructions:**

*(i) Read all questions carefully and answer accordingly.*

*(ii) Do not write anything on the question paper other than roll number.*

**Part A**

**Answer ALL the Questions. Each question carries 2 marks. 5Q x 2M=10M**

| | | | | |
|---|---|---|---|---|
| **1** | Define job costing. | 2 Marks | L2 | CO1 |
| **2** | Give two examples of joint products. | 2 Marks | L2 | CO1 |
| **3** | What is meant by abnormal gain? | 2 Marks | L2 | CO1 |
| **4** | Mention two features of service costing. | 2 Marks | L2 | CO1 |
| **5** | State any two objectives of transport costing. | 2 Marks | L2 | CO2 |

**Part B**

**Answer the Questions. Each question carries 10 marks. 4Q x 10M=40M**

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|---|---|---|---|---|
| 6. | Differentiate between normal loss and abnormal loss with examples. | 10 Marks | L2 | CO 1 |
| | **Or** | | | |
| 7. | A product passes through a process where:<br>• Input: 1,000 units | 10 Marks | L2 | CO 1 |

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|---|---|---|---|---|
| | • Cost of input: ₹50,000<br>• Normal loss: 10% of input (scrap value ₹5 per unit)<br>• Actual output: 880 units<br>You are required to:<br>a. Calculate the **Normal Loss** and **Abnormal Loss** in units.<br>B Calculate the value of **Abnormal Loss**. | | | |

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|---|---|---|---|---|
| 8. | Explain process costing and its applications in different industries. | 10 Marks | L2 | CO 1 |
| | **Or** | | | |
| 9. | <table><tr><th>**Particulars**</th><th>**Process I**</th><th>**Process II**</th><th>**Process III**</th></tr><tr><td>Material</td><td>1000 kg.</td><td>620 kg.</td><td>360kg.</td></tr><tr><td>Price per Kg.</td><td>100</td><td>60</td><td>40</td></tr><tr><td>Transfer to next Process</td><td>880kg.</td><td>1240 Kg.</td><td>Transfer to finished stock 1300 kg.</td></tr><tr><td>Normal Loss</td><td>10%</td><td>20%</td><td>20%</td></tr><tr><td>Scarp sold</td><td>100 Per kg.</td><td>200 Per Kg.</td><td>300 Per kg.</td></tr><tr><td>Direct labor</td><td>40000</td><td>30000</td><td>20000</td></tr><tr><td>Direct wages</td><td>50% of Labor</td><td>40% of Labor</td><td>50% of Labor</td></tr></table> | 10 Marks | L3 | CO 2 |

| | | | | |
|---|---|---|---|---|
| 10. | Explain the features and applications of service costing in detail. | 10 Marks | L3 | CO 2 |
| | **Or** | | | |
| 11. | Explain the role of cost control in hotels and hospitals. | 10 Marks | L3 | CO 2 |

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|---|---|---|---|---|
| 12. | A contractor started work on a contract on 1st January 2024. The following information relates to the contract for the year ending 31st December 2024:<br><br>**Particulars** — **Amount (₹)**<br>**Contract Price** — **12,00,000**<br>**Materials issued** — **3,00,000**<br>**Wages paid** — **2,40,000**<br>**General expenses** — **30,000**<br>**Plant purchased** — **1,20,000**<br>**Materials in hand (31 Dec 2024)** — **20,000**<br>**Wages outstanding** — **10,000**<br>**Depreciation on plant** — **20% p.a.**<br>**Work certified** — **6,00,000**<br>**Work uncertified** — **30,000**<br>**Cash received** — **5,40,000**<br>**You are required to:**<br><br>1. Prepare Contract Account for the year ended 31st December 2024.<br>2. Calculate Notional Profit.<br>3. Calculate the amount of profit to be transferred to the Profit & Loss Account using the formula: | 10 Marks | L3 | CO 2 |
| | **Or** | | | |
| 13. | A transport company operates a fleet of 5 trucks, each having a capacity of 10 tonnes. The trucks run 25 days in a month, and on an average, each truck covers 50 km per trip and makes 4 trips per day.<br><br>**The following details are available for the month**:<br><br>**Particulars** — **Amount (₹)**<br>Diesel, oil & lubricants — 1,50,000<br>Drivers' wages — 80,000<br>Cleaners' wages — 30,000<br>Depreciation — 40,000<br>Road tax & insurance — 20,000<br>Repairs & maintenance — 25,000<br>Office & administrative expenses — 35,000<br>**You are required to:**<br><br>1. Calculate the total operating cost for the month.<br>2. Determine the cost per tonne-km. | 10 Marks | L3 | CO 2 |