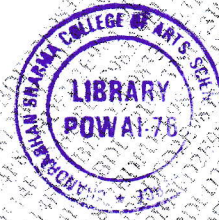


Time: 2 hours 30 minutes

Marks: 75

- N.B.: 1) Question No.1 is Compulsory  
2) All Workings should form the part of Solution.  
3) Use of Simple Calculators is allowed.



Q.1)A) Fill in the blanks (Any 8)

8

1. The objective of \_\_\_\_\_ is to maximize profit.
2. \_\_\_\_\_ is a technique of evaluating the performance of firms in an industry.
3. In service costing, salary of driver is \_\_\_\_\_ cost.
4. In Non- Integrated system, purchase of material for cash is debited to \_\_\_\_\_ A/c.
5. \_\_\_\_\_ costing is used to ascertain the cost of providing a service.
6. In \_\_\_\_\_ Ledger an account is maintained for each job.
7. Under Integrated system for recording depreciation on furniture, \_\_\_\_\_ A/c is debited.
8. \_\_\_\_\_ is a costing method that identifies activities in an organization and assigns the cost of each activity to all products and services according to the actual consumption by each.
9. \_\_\_\_\_ is the name of a system whereby cost and financial accounts are kept in the same set of books.
10. \_\_\_\_\_ is calculated by dividing equivalent cost by equivalent quantity

Q.1) B) State Whether the following statements are True or False. (Any 7)

7

1. Material lost is debited to Profit & Loss A/c in Integrated system of Accounts.
2. Fare in case of taxi is based on cost per km.
3. Uniform Costing helps to control cost.
4. Overheads can be over/under absorbed.
5. Normal loss is unavoidable.
6. Process Costing is a method of marginal costing.
7. Loss on sale of car is not recorded in Integrated system of accounting.
8. WIP Control Account will always have a credit balance.
9. Equivalent production is a method of Service costing.
10. Stores Ledger Control Account is credited when material is returned to stores.

Q.2) A) CAS Ltd operates separate cost accounting and financial accounting system.

The following is the balance as on 30<sup>th</sup> September 2019 in the cost ledger

15

Trial Balance as on 30<sup>th</sup> September 2019

| Particulars                | Debit (Rs.) | Credit (Rs.) |
|----------------------------|-------------|--------------|
| Stores Ledger Control A/c  | 45000       |              |
| WIP Control A/c            | 180000      |              |
| Finished Goods Control A/c | 120000      |              |
| Cost ledger Control A/c    |             | 345000       |
|                            | 345000      | 345000       |

Transactions for the month of September 2019 were as under :

1. Material purchased Rs. 95,000.
2. Wages paid (including indirect wages Rs.25,000) Rs.75,000.
3. Factory Overheads incurred Rs.70,000.
4. Material issued to Factory Rs.25,000.
5. Finished goods at cost Rs.2,05,000.

6. Cost of goods sold Rs.1,90,000.
  7. Material issued to Production Rs.1,20,000
  8. Sales Rs.2,50,000.
  9. Material damaged Rs.5000
  10. Office expenses incurred Rs. 12,000
  11. Selling overheads incurred Rs.10,000.
  12. Office expenses & selling overheads to be transferred to costing P&L A/c.
- You are required to prepare
1. Stores Ledger Control A/c.
  2. WIP Control A/c.
  3. Finished Goods Control A/c.
  4. Cost ledger Control A/c.

OR

- Q.2)B) Riya enterprises furnishes the following information for process for the month of August 2019. Units Introduced in process- 11,000 units at ₹ 22,360  
 Expenses debited to Process account  
 Material ₹20,000  
 Labour ₹ 20,800  
 Overheads ₹ 10,400  
 Unit transferred to next process- 10,200 units  
 Closing WIP- 400 units  
 (Degree of Completion: Material-80%, Labour-60%, Overheads- 60%)  
 Units scrapped- 400 units, scrapped units were sold at ₹1 per unit  
 Expected loss- 4% of units introduced  
**Prepare**
- 1) Statement of Equivalent unit
  - 2) Statement of equivalent Cost per unit
  - 3) Statement of Cost apportionment
  - 4) Process account

- Q.3) A) LPG LTD an oxygen producing company removes waste lime through following trucks:

15

| Number of trucks | Capacity    |
|------------------|-------------|
| 10               | 3 tons each |
| 15               | 2 tons each |
| 25               | 4 tons each |
| 20               | 1 ton each  |

Each truck takes 6 trips a day and in each trip covers an average distance of 5 Kms. Each truck carries waste lime 60% of its capacity. Taking an annual average, 20% of the trucks remain held up for repairs, maintenance etc. every day.

The following are monthly charges incurred for the month of June 2019 on transport:

|                              |              |
|------------------------------|--------------|
| Salary of the superintendent | Rs 4000      |
| Salary of 3 foremen          | Rs 1000 each |
| Wages of 70 drivers          | Rs 300 each  |
| Wages of 140 workers         | Rs 150 each  |
| Stores used                  | Rs 32000     |
| Petrol                       | Rs 120000    |

|                        |          |
|------------------------|----------|
| Lubricant              | Rs 30000 |
| Stores consumption     | Rs 10000 |
| Rent of garage         | Rs 6000  |
| Electric expenses      | Rs 12000 |
| Miscellaneous expenses | Rs 24000 |

Superintendent devotes 50% of his time for this job. This department has also to bear Rs 21000 p.m. for services borrowed from the other department.

Calculate cost per ton Km for removing waste lime taking a month of 30 days.

OR

Q.3) B) Pass Journal entries for the following transaction of Virat Ltd for the month of August 2019 under Integrated system of Accounting.

15

|  | Rs.      |
|--|----------|
| 1. Material purchased from CA & Co. (cash 20%) | 4,00,000 |
| 2. Material issued to production               | 2,50,000 |
| 3. Wages paid to worker                        | 1,00,000 |
| 4. Wages applied to production                 | 70,000   |
| 5. Factory overhead incurred                   | 55,000   |
| 6. Material damage having no scrap value       | 15,000   |
| 7. Advertising expenses incurred               | 40,000   |
| 8. Printing and stationery expenses paid       | 15,000   |
| 9. Cost of goods produced                      | 2,80,000 |
| 10. Wages applied to Factory                   | 17,000   |
| 11. Sales to Aroma Ltd (70% on credit)         | 8,00,000 |

Q4.)A) KK Transport Co. owns a bus which runs between Mumbai to Nashik and back, for 15

15 days in a month. The distance between Mumbai to Nashik is 120 kms. The bus completes the trip from Mumbai to Nashik and back on the same day. Remaining 15 days bus runs between Mumbai to Pune. The distance between Mumbai to Pune is 150 kms.

The bus completes the trip from Mumbai to Pune and back on the same day

The following information is available :

Cost of bus Rs. 30,00,000

Depreciation Rate 25% p.a.

Salary of Driver Rs. 30,000 p.m.

Insurance 1% p.a.

Salary of Cleaner Rs. 5,000 p.m.

Salary of Conductor Rs. 15,000 p.m.

Diesel consumption is 15 kms per litre of diesel and cost of diesel per litre is Rs.60.

Tax is Rs 84,000 p.a.

Lubricants is Rs 6 per 50 kms.

Repairs and maintenance Rs. 18,000 p.m.

Permit fees Rs. 24,000 p.m

Normal capacity of bus is 50 person.

The bus generally has 80% of its capacity occupied when it goes to Nashik and 75% of its capacity occupied when it goes to Pune.

Calculate the Charges to be made if a profit at 25% is to be earned on his takings.

OR

Q4) B) From the following information extracted from the books of Parle-G Ltd for the month of June 2019 , 10

1. Opening WIP as on 1<sup>st</sup> June 2019 2000 units @ Rs. 10 per unit.  
Degree of completion: Material 100% Labour and Overheads 50%.
2. Inputs introduced during June 10,000 units.
3. Outputs transferred to the next process 11,000 units.
4. Closing WIP as on 30<sup>st</sup> June 2000 units  
Degree of completion : Material 100% Labour and Overheads 60%.
5. Cost of Material Rs. 2,00,000 Labour Rs. 91,800, Overheads Rs. 61,200.

Prepare the following under FIFO Method

1. Statement of Equivalent Production.
2. Statement of Equivalent Cost per unit.
3. Process Account.

Q4.) C) Pass Journal entries (without narration) for the following transaction of CSR Ltd for the month of July 2019 under Non-Integrated system of Accounting. 5

|  | Rs.      |
|--|----------|
| 1. Material purchased from A & Co              | 4,00,000 |
| 2. Wages applied to Factory                    | 1,00,000 |
| 3. Paid for purchase of pen , pencil and files | 20,000   |
| 4. Material damage having no scrap value       | 10,000   |
| 5. Sales promotion expenses incurred           | 30,000   |

Q.5) (A) What are the features of Integrated System of Accounting? 8

(B) What is Inter-firm comparison and its advantages and limitation? 7

OR

(C) Write short notes on (Any 3) 15

1. Non-integrated system of accounting.
2. Cost Drivers.
3. Abnormal Wastage.
4. Inter Process Profit.
5. Running Cost.