

Duration: 2.5 Hrs.

Total Marks: 75

Note: 1) All questions are compulsory

2) All workings should form part of the answer

3) Use of simple calculator is allowed

Q.1. a) Multiple Choice Questions: (any 8)

(08)

1. Under Non-Integrated System for absorption for Office and administration overhead \_\_\_\_\_ Account is debited.

- |                           |                             |
|---------------------------|-----------------------------|
| a) Finished Goods Control | c) Store Ledger Control     |
| b) Wages Control          | d) Factory Overhead Control |

2. ABC based costing \_\_\_\_\_

- Focuses on activities performed to produce product
- Classifies activities into A,B,C categories
- Used for controlling cost.
- Selling the product

3. \_\_\_\_\_ is maintained for each vehicle to record the details of trips made by the vehicle during a specified period of time.

- |                     |               |
|---------------------|---------------|
| a) Vehicle register | c) Log Book   |
| b) Store keeper     | d) Cost sheet |

4. Inter-firm comparison is one of the aims of \_\_\_\_\_

- |                     |                     |
|---------------------|---------------------|
| a) Uniform Costing  | c) Unit costing     |
| b) Standard Costing | d) Marginal Costing |

5. \_\_\_\_\_ is equal to normal cost divided by normal output.

- |           |                  |
|-----------|------------------|
| a) Profit | c) Cost per unit |
| b) Sales  | d) Variable cost |

6. \_\_\_\_\_ system is used in ascertaining the cost of operations of a hospital.

- |                     |                    |
|---------------------|--------------------|
| a) Marginal Costing | c) Uniform Costing |
| b) Standard Costing | d) Service Costing |

7. \_\_\_\_\_ is difference between normal output and actual output.

- |                  |                  |
|------------------|------------------|
| a) Normal Loss   | c) Sale of scrap |
| b) Abnormal Gain | d) Abnormal loss |

8. \_\_\_\_\_ are variable in nature.

- |                       |                  |
|-----------------------|------------------|
| a) Fixed Cost         | c) Running costs |
| b) Semi-variable cost | d) Sunk cost     |

9. Under Non-Integrated System for absorption for factory overhead \_\_\_\_\_ Account is debited.

- a) Finished Goods Control  
b) Wages Control

- c) Store Ledger Control  
d) WIP Control

10. Under Integrated System for payment to supplier's \_\_\_\_\_ Account is debited.

- a) Finished Goods Control  
b) Creditors  
c) Cash/Bank  
d) Debtors

**Q.1. b) State whether the following statements are True or False: (Any 7)**

**(07)**

- In Process costing, costs are calculated at the end of a certain period.
- Process costing is applicable for manufacturing industries, chemical industries, mining industries, public utility works.
- In operation costing, Fixed cost includes insurance, taxes and licence.
- Maintenance costs are incurred on the repair and maintenance of vehicles.
- ABC is a traditional system of cost allocation.
- Uniform Cost accounting is a branch of unit accounting.
- Under the integral system, no accounts are opened for debtors and creditors.
- Finished goods control is debited when the product is sold.
- Number of order is a cost driver for inspection activity.
- Under non-integral system, material transferred to factory is debited to stores ledger control account.

**Q.2 (a) The following data are available in respect of Process II for the month of March 2024:**

**(15)**

Opening Work in Progress	2000 units at Rs. 10000/-
Input of Material	13000 units at Rs. 40000/-
Direct Wages	Rs. 25150/-
Production Overhead	Rs. 12575/-
Units scrapped	1000 units
Units transferred to Next Process	12000 units
Closing Work in Progress	2000 units

Degree of Completion	Opening Stock	Closing Stock	Scrap
Material	100%	100%	100%
Labour	60%	80%	70%
Overhead	60%	80%	70%

- Normal loss is 5% of total input (Opening stock and units put in)
- Scrap value is Rs. 4 per unit. The company follows FIFO method of inventory valuation.



• You are required to :-

- Prepare statement of Equivalent Production
- Statement of cost per equivalent unit for each element and cost of closing work in progress and units transferred to next process.
- Prepare Process Account and Abnormal Gain/Loss Account.

OR

**Q.2 (b) The Finished Product 'Wafer' passes through two processes before completion. The output of process I is transferred to the next process at a profit of 25% on the transfer price. The output of Process II is charged to the Finished Stock Account at 20% profit on the transfer price. Stock in each process is valued at prime cost. Finished Stock is valued at the price at which it is received from Process II. The following data for the year ended 31st March 2024 is provided by Jam limited as follows:** (15)

Particulars	Process I (Rs.)	Process II (Rs.)	Finished Stock (Rs.)
Opening Stock	15,400	18,200	38,000
Direct Materials	30,000	38,000	-
Direct Wages	32,000	45,000	-
Manufacturing Overheads	25,000	28,000	-
Stock on 31.03.2024	7,000	11,500	24,200
Sales	-	-	4,00,000
Inter-process profit included in opening stock	-	3,100	16,500

**Q.3.(a) Alex Limited is running a mini bus. You are required to calculate a suggested fare per passenger/kilometer from the following details: -** (15)

Particular	Rs.
Purchase price of Bus	1000000
Length of route	80 km
Insurance	40000 p.a.
Garage Rent	20000 p.a.
Road Tax and permit fees	10000 p.a.
Repair and Maintenance	36000 p.a.
Administrative Charges	12000 p.a.
Driver Wage	10000 per month
Conductor Wages	6000 per month
Repairs of Tyre Tube	8000 p.a.
Diesel and oil per kilometer	10
Annual Interest on Loan	64000 p.a.

Effective life of vehicle is estimated at 10 years at the end of which it will have a scrap value of Rs. 20000. Mini bus has 20 seats and is planned to make 5 number two-way trips for 25 days per month. Provide profit @20% of total revenue

OR



**Q.3(b) Pass Journal entries for the following transaction of Swathi Ltd for the month of December 2024 under Integrated system of Accounting. (15)**

	Rs.
Material purchased from Rohit & Co.(credit 70%)	4,00,000
Material issued to production	2,50,000
Wages paid to worker	1,00,000
Wages applied to factory	60,000
Factory rent paid to SKS & Co.	35,000
Office overheads incurred	25,000
Sales promotion expenses incurred	30,000
Salary paid to staff	25,000
Cost of goods produced	4,00,000
Factory expenses payable	12,000
Sales to Dheeraj Ltd (60% on cash)	5,00,000

**Q.4.(a) Kia ltd follows Non-integrated system of accounting. (15)**

**Following is the Trial Balance as on 01-01-2025:**

Particulars	Debit (Rs.)	Credit (Rs.)
Store Ledger Control Account	4,00,000	-
Work in Progress Control Account	3,20,000	-
Finished Stock Ledger Control Account	5,60,000	
Cost Ledger Control Account		12,80,000
	12,80,000	12,80,000

**Following were the transaction during the month of January:**

Particulars	Rs.
Materials purchased	12,00,000
Materials issued to Production	4,80,000
Materials issued to factory	64,000
Materials issued to office	16,000
Total Wages paid	4,80,000
Direct wages charged to Production	4,00,000
Indirect wages	80,000
Office Overheads paid	48,000
Office overheads applied to finished goods	60,800
Selling and Distribution overheads incurred	48,000
Selling and distribution overheads applied to cost of sales	49,600
Finished goods at cost	12,80,000
Cost of Goods sold	16,00,000
Sales	19,20,000
Factory overheads charged to production	140000

**You are required to prepare**

1. Store Ledger Control A/c
2. Factory Overhead Control A/c
3. Work In Progress Control A/c
4. Finished Stock Ledger Control A/c
5. Cost Ledger control A/c
6. Trial Balance as on 31st January 2025

**OR**

**Q4 (b) Umbrella Ltd operates separate cost accounting and financial accounting system. The following is the opening balance as on 1st August 2024 in the cost ledger (15)**

Particulars	Dr (Rs)	Cr (Rs)
Stores ledger control A/c	1,60,000	
WIP Control A/c	1,00,000	
Finished Goods Control A/c	1,50,000	
Cost Ledger Control A/c		4,10,000
	<b>4,10,000</b>	<b>4,10,000</b>

**Transactions for the month of August 2024 were as under :**

1. Material purchased Rs. 1,20,000.
2. Wages paid – Direct 85,000 & Indirect Rs.35,000.
3. Factory Overheads incurred Rs.60,000.
4. Material issued to Factory Rs.55,000.
5. Finished goods at cost Rs.3,00,000.
6. Cost of goods sold Rs.2,60,000.
7. Material issued to Production Rs.2,00,000
8. Sales Rs.3,40,000.
9. Material damaged and written off to costing Profit & Loss A/c Rs.20,000.

**You are required to prepare**

1. Stores Ledger Control A/c.
2. WIP Control A/c.
3. Finished Goods Control A/c.
4. Costing Profit & loss A/c.
5. Cost ledger Control A/c.
6. Trial Balance as on 31th August 2024.

**Q5. (a) What is advantages and disadvantages of Inter-firm Comparison? (8)**

**(b) Distinguish between Integrated and Non-Integrated System of Accounting. (7)**

**OR**

**(c) Write short notes on (Any 3) (15)**

1. Equivalent Production.
2. Activity based Costing.
3. Abnormal gain and abnormal loss.
4. WIP Control Account.
5. Features of Service costing.

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