

(Time: 2 ½ Hours)

(Total Marks: 75)

- Note:** 1) All questions are compulsory.
2) All workings should form part of the answer.

Q1. (a) Fill in the blanks (any 8)

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- The objective of _____ is to maximize profit.
- Under Non-integrated accounting system, the account made to complete double entry is _____
- When the production is below standard specification or quality and cannot be rectified by incurring additional cost is called as _____.
- In an Integrated system, Sales Ledger shows account of _____.
- _____ costing is used to ascertain the cost of providing a service.
- The activity that generates cost is a _____.
- _____ cost does not need cost drivers.
- Cost of normal loss is charged to _____.
- Under Non-integrated accounts, if materials worth ₹ 1,500 are purchased for a special job, then which account will be debited _____.
- The normal loss is 10% of the input, there is no opening or closing stock. Output in the process was 11,850 units and Abnormal gain is 150 units, how many units were introduced in the process _____.

(b) Match the following and rewrite (Any 7)

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| Column A | Column B |
|--|---|
| 1. Activity-based costing | a. comparison of two or more similar business units |
| 2. In Process costing each producing department is | b. Changes with production level. |
| 3. Uniform costing | c. Number of orders |
| 4. Non-integrated | d. Cost control and cost reduction |
| 5. Inter-firm comparison | e. Unavoidable loss |
| 6. Hospital | f. Uses multiple activity rates |
| 7. Variable cost | g. Avoidable |
| 8. Normal Loss | h. Cost ledger Control Account |
| 9. Ordering costs | i. Per patient -Day |
| 10. Abnormal loss | j. Cost Centre |

Q2 (a) From the following information extracted from the books of Glacier Ltd for the month of July 2025.

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- Opening stock as on 1st July 2025 3000 units @ Rs. 4 per unit.
Degree of completion: Material 100% Labour and Overheads 40%.
Inputs introduced during July 12,000 units.
Outputs transferred to the next process 11,000 units.
Closing Stock as on 31st July 4000 units
Degree of completion: Material 100%, Labour and Overheads 70%.
Cost of Material Rs. 96,000, Labour Rs. 37,800, Overheads Rs.25,200.
Prepare the following under FIFO Method
- Statement of Equivalent Production.

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

OR

Q2. (b) Pass Journal entries for the following transaction of KT Ltd for the month of May 2025 under Integrated system of Accounting. 15

| | Rs. |
|--|----------|
| Material purchased from S & Co. (credit 75%) | 3,00,000 |
| Material issued to production | 1,00,000 |
| Wages paid to worker | 50,000 |
| Wages applied to factory | 10,000 |
| Factory overhead incurred | 20,000 |
| Office overheads applied to cost of sales | 30,000 |
| Salesmen salaries paid | 5,000 |
| Salary paid to Hari | 25,000 |
| Cost of goods produced | 4,00,000 |
| Office expenses payable | 15,000 |
| Sales to Gang Ltd (20% on cash) | 8,00,000 |

Q3. (a) Pass Journal entries for the following transaction of Ganga Ltd for the month of July 2025 under Non- Integrated system of Accounting. 15

| | Rs. |
|---------------------------------------|----------|
| Material purchased from Apar & Co. | 3,00,000 |
| Material issued to production | 2,20,000 |
| Wages paid to worker | 1,20,000 |
| Wages applied to production | 70,000 |
| Factory overhead incurred | 55,000 |
| Material damage having no scrap value | 10,000 |
| Selling expenses incurred | 30,000 |
| Salary paid to Shimba | 45,000 |
| Cost of goods produced | 5,40,000 |
| Wages applied to Factory | 50,000 |
| Sales to Cat Ltd (80% on credit) | 7,50,000 |

OR

Q3.(b) JTT Ltd operates separate cost accounting and financial accounting system. The following is the opening balance as on 1st August 2025 in the cost ledger. 15

| Particulars | Dr (Rs) | Cr (Rs) |
|----------------------------|----------|----------|
| Stores ledger control A/c | 2,10,000 | |
| WIP Control A/c | 80,000 | |
| Finished Goods Control A/c | 1,00,000 | |
| Cost Ledger Control A/c | | 3,90,000 |
| | 3,90,000 | 3,90,000 |

Transactions for the month of August 2025 were as under:

Material purchased Rs. 1,00,000.

Wages paid – Direct 70,000 & Indirect Rs.30,000.

Factory Overheads incurred Rs.60,000.

Material issued to Factory Rs.55,000.

Selling overheads incurred Rs. 25000

Finished goods at cost Rs.3,00,000.

Cost of goods sold Rs.2,60,000.

Material issued to Production Rs.2,00,000

Sales Rs.3,50,000.

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 31st August 2025.

Q4. (a) From the following information extracted from the books of Hero Ltd for the month of June 2025 Prepare the following under FIFO Method. 15

1. Statement of Equivalent Production.
2. Statement of Equivalent Cost per unit.
3. Statement of cost apportioned
4. Process A Account.

During a month 50000 units were introduced into Process A. The Process costs were:-

| | |
|------------------|---------------------|
| Direct Materials | ₹ 381000 |
| Direct Wages | ₹ 264000 |
| Factory Overhead | 50% of Direct Wages |

The normal loss was estimated at 10% on input. At the end of the month 42000 units have been produced and transferred to Process B. Scrapped units had been completely processed and realised ₹ 5 per unit and 2000 units were incomplete and the stage of completion in respect of these units was estimated to be Materials 75%, Labour 50%, Overhead 50%.

OR

Q4. (b) SRK Transport Co. owns a bus which runs between Mumbai to Nagpur and back, for 25 days in a month. The distance between Mumbai to Pune is 250 kms. The bus completes the trip from Mumbai to Nagpur and back on the same day. 15

The following information is available:

| | |
|---|----------------|
| Cost of bus | Rs.20,00,000 |
| Depreciation Rate | 5% p.a. |
| Salary of Driver | Rs.25,000 p.m. |
| Insurance premium | 3% p.a. |
| Salary of Cleaner | Rs.5,000 p.m |
| Salary of Conductor | Rs.12,000 p.m. |
| Diesel consumption is 10 kms per litre of diesel and cost of diesel per litre is Rs.60. | |
| Tax | Rs.96,000 p.a. |
| Lubricants is Rs 500 per 500 kms. | |
| Repairs and maintenance | Rs.10,000 p.m. |
| Permit fees | Rs.8,500 p.m |
| Normal capacity of bus is 50 person. | |

The bus generally has 80% of its capacity occupied when it goes to Nagpur. Calculate the Charges to be made if a profit at 20% is to be earned on takings.

Q5. (a) What is Inter-firm comparison and benefits of inter-firm comparison?
(b) Explain Non-integrated accounting system?

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OR

Q5. (c) Write short notes on (Any 3)

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- (a) Uniform Costing.
- (b) Integrated Cost accounting system.
- (c) Normal wastage and Abnormal wastage.
- (d) Activity based costing.
- (e) WIP Control A/c.

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