

Time 2:30 Hours

75 Marks

1. All working should form the part of solution.

1.(a) Choose the Correct answer and rewrite (Any Eight)

(08)

1. Cost driver for customer order processing is _____

- a. Order value
- b. Inspections plans
- c. Training requirement
- d. Engineering charges

2. _____ is a system where multiple firms within the same industry adopt identical cost accounting principles, methods, and procedures to ensure cost data comparability.

- a. Uniform costing
- b. Standard Costing
- c. Marginal Costing
- d. Operating Costing

3. _____ is the name of a system whereby cost and financial accounts are kept in the same set of books.

- a. Process Costing
- b. Integrated Costing
- c. Equivalent Production
- d. Uniform Costing

4. The debit balance of the overheads adjustment account may be transferred to _____.

- a. Cost of sales account
- b. Profit and Loss account
- c. Finished goods account
- d. WIP account

5. Equivalent Units are calculated separately for direct Materials, Direct labour, and _____.

- a. Indirect overhead
- b. Factory overhead
- c. Office overhead
- d. Indirect Material

6. In Equivalent production, _____ method gives satisfactory results when prices of material, rates of wages and overheads are stable.

- a. FIFO Method
- b. Average Cost of Method
- c. LIFO Method
- d. Weighted Average Method

7. In Equivalent Units calculation, Scrap value of normal loss is deducted from _____.

- a. Material Cost
- b. Direct Labour
- c. Factory overhead
- d. Total cost

8. In Operating costing, garage rent is _____ cost.

- a. Variable
- b. Semi Variable
- c. Fixed
- d. Sunk

2. (a) Product X passes through three processes before it is completed. The output of each process is charged to the next process at a price which gives a calculated profit of 20% of the transfer price. The output of Process III is charged to Finished Stock Account on a similar basis. There is no work-in-progress at the beginning or at the end of the year. Stock in each process have been valued at prime cost of the process. The following data are obtained at the end of March 2025 : (15)

Prepare : 1. Process I ,II ,III and Finished Stock Account

2.(b) Pass Journal entries for the following transaction of Evergreen Ltd for the month of June 2025 under Integrated system of Accounting. (15)

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3.(a) L&T Transport Co. owns a bus which runs between Mumbai to Shirdi and back, for 30 days in a month. The distance between Mumbai to Shirdi is 190 kms. The bus completes the trip from Mumbai to Shirdi and back on the same day. (15)

The following information is available :

Cost of bus Rs. 50,00,000

Depreciation Rate 15% p.a.

Salary of Driver Rs. 25,000 p.m.

Insurance premium 3% p.a.

Salary of Cleaner Rs.8,000 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.80.

Tax and license fees is Rs 1,44,000 p.a.

Lubricants is Rs.100 per 50 kms.

Repairs and maintenance Rs.11,000 p.m.

Permit fees Rs. 18,000 p.m

Normal capacity of bus is 60 passengers.

The bus generally has 75% of its capacity occupied when it goes to Shirdi. Profit @20% on taking.

Calculate cost per passenger-kms and fare to be charged from passengers.

OR

3.(b) Jigara Ltd operates separate cost accounting and financial accounting system.

The following is the opening balance as on 1st October 2025 in the cost ledger

(15)

Particulars	Dr (Rs)	Cr (Rs)
Stores ledger control A/c	1,60,000	
WIP Control A/c	1,20,000	
Finished Goods Control A/c	1,50,000	
Cost Ledger Control A/c		4,30,000
	4,30,000	4,30,000

Transactions for the month of October 2025 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.3,50,000.
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 31st October 2025

4. (a) During a month 50000 units were introduced into Process A. The Process costs were:- (15)

Direct Materials	Rs. 381000
Direct Wages	Rs. 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 Rs.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%.

Required to prepare Statement of Equivalent Units of Production, Cost per Equivalent Units, Statement of cost apportioned and Process A A/c.

OR

- 4.(b) Pass Journal entries for the following transaction of Om Ltd for the month of July 2025 under Non- Integrated system of Accounting. (15)

	Rs.
Material purchased from FC & Co.	4,00,000
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
Office expenses paid	45,000
Cost of goods produced	5,40,000
Wages applied to Factory	50,000
Sales to KK Ltd (80% on credit)	8,00,000

- 5.(a) What is Inter-firm comparison and benefits of Inter-firm comparison? (8)

- (b) Explain Non-integrated accounting system and its benefits? (7)

OR

5. (c) Write short notes on (Any 3) (15)

- Features of Uniform Costing.
- Integrated Cost accounting system.
- Normal wastage and Abnormal wastage.
- Activity based costing & Target costing.
- Wages & WIP Control A/c.
