Time: 3 Hours

Total Marks: 100

T.Y.B.Com (Reg)
Sem - VI
19/03/2025

Instructions:

i. Figures to the right indicate full marks.
ii. Working notes should form part of your answers.
iii. Use of simple calculator is allowed.

Q1 A) Select the most appropriate option and rewrite the full sentence.(Any 10) **(10)**

1. Under Non-integrated accounting system Selling overheads is absorbed by
   (A)Finished Goods Ledger control account (B)) W.I.P Ledger control account
   (C) Store Ledger control account (D) Cost of sales account
2. Under Non-integrated accounting system direct wages is allocated to....
   (A) Finished Goods Ledger control account (B) W.I.P Ledger control account
   (C) Store Ledger control account (D) Cost of sales account
3. If the work done is more than 25% and less than 50%
   (A) No profit is credited to P&L A/C (B) ¼ of Notional profit is credited to P & L A/c
   (C) 1/3rd of Notional profit is credited to P & L A/c (D) 2/3rd of Notional profit is credited to P & L A/c
4. In contract costing Cost of architect fees is
   (A) Debited to contract A/c (B) Credited to contract A/c
   (C) Ignored from contract A/c (D) Debited to P & L A/c
5. Work certified is ₹ 3,00,000 ,cash received is 80% of work certified ,then cash received is
   (A) ₹ 3,40,000 (B) ₹ 2,40,000 (C) ₹ 2,00,000 (D) ₹ 2,50,000
6. Abnormal loss arises when
   (A) Actual loss is less than expected loss. (B) Actual loss is more than expected loss.
   (C) Actual loss is equal to expected loss. (D) Actual loss is less than normal loss.
7. Decrease in sales price
   (A) does not affect the break-even point (B) lowers the break-even point
   (C) increase the net profit (D) Increases the break-even point
8. Fixed cost per unit decreases when
   (A) production volume increases (B) production volume decreases
   (C) variable cost per unit decreases (D) prime cost per unit decreases
9. Margin of safety is referred to as
   (A) excess of sales over break-even sales (B) excess of sales over fixed cost
   (C) excess of sales over variable cost (D) excess of sales over budgeted sales
10. The stages in the life cycle of a product include
   (A) Variance Analysis (B) Cost Driver (C) Sub contracting (D) Growth
11. A company has sales of ₹ 2 00,000; P/V Ratio is 20% and fixed cost is ₹ 15,000; the profit will be
   (A) ₹ 25,000 (B) ₹ 20,000 (C) ₹ 35,000 (D) ₹ 40,000

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12. Contribution margin is equal to
    (A) Fixed cost + variable cost
    (B) Sales – variable cost
    (C) Sales – fixed assets
    (D) Sales – profit

Q1 B) State whether the following statements are True or False.**(Any 10)** **(10)**

1. Stores ledger contains wages paid.
2. Under non-integrated accounting system selling overheads absorbed by W.I.P ledger control A/C .
3. Plant taken on hire is debited to contract A/c by hire charges.
4. Sub-contract cost is not debited to contract A/c.
5. Process costing is a method where cost of a product is ascertained at each stage in production.
6. Abnormal gain is valued at scrap value.
7. Balance on Abnormal Loss A/c is transferred to costing Profit & Loss A/c.
8. Marginal cost is fixed cost.
9. Standard costing is helpful in planning.
10. A cost variance is a difference between standard cost and actual cost.
11. Activity based costing is a technique of allocation of overheads.
12. Under ABC costs are grouped according to what drives them.

Q2.A) DARSH Industries Ltd. is manufacturing a product which passes through three consecutive processes i.e. Process D, Process A, and Process R. The following figures have been taken from their books for the year ended 31st March, 2024. **(20)**

Particulars	Process D	Process A	Process R
No. Of units introduced	2,500	-	-
Rate per unit of units introduced ₹	200	-	-
Output during the year (units)	2125	1875	1625
Normal loss (% on units introduced in each process)	10%	20%	15%
Scrap value per unit ₹	50	75	100
Process Stock Opening (units) Closing (units)	 375 250	 500 375	 375 250
Value of Opening stock per unit ₹	275	425	600
Process Materials ₹	192500	197875	93500
Wages ₹	81250	100000	71000
Manufacturing Overheads ₹	71250	100000	71000

Closing stock is to be valued at respective cost of each process. You are required to prepare :

a) Process Accounts
b) Process Stock Accounts

OR

Q2.B) XYZ Ltd . provides you the following information for the year ended 31st March 2020. **(20).**

Particulars	Processes		
	X	Y	Z
Raw materials (units)	3000	610	650
Cost of Raw material per unit ₹	3	3	4
Direct wages ₹	8500	6000	3750
Production Overheads ₹	4640	2300	2400
Normal Loss(% of total no. of units entering to the process)	4%	5%	3%
Wastage (% of total no . of units entering to the process)	6%	5%	4%
Scrap per unit of wastages ₹	3	4	5
Output transferred to subsequent process	70%	60%	...
Output sold at the end of the process	30%	40%	100%
Selling price per unit ₹	10	14	20

Prepare process of X, Y and Z account.

Q3.A) V.J Ltd. follows non-integrated system of accounting. Following is the Trial Balance as on 01-03-2024: **(20)**

Particulars	Dr. ₹	Cr. ₹
Stores Ledger Control A/c	3,40,000	-
Work-in-Progress Control A/c	4,56,000	-
Finished Goods Control A/c	2,40,000	-
Cost Ledger Control A/c	-	10,36,000
Total	10,36,000	10,36,000

Following were the transaction during the month of March 2024 :

Particular	₹
Material Purchase	10,00,000
Material issued to Production	9,44,000
Direct Wages paid	14,00,000
Manufacturing Overheads paid	8,92,000
Manufacturing Overheads recovered	8,88,800
Selling and Distribution Overheads incurred	3,08,000
Selling and Distribution Overheads applied to Cost of Sales	3,06,400
Work-in-progress at the end	4,94,000
Stock of Finished Goods at the end	2,94,000
Sales	32,00,000

Prepare the following accounts for the Month:

(a) Stores Ledger Control A/c
(b) Work-in-Progress Control A/c
(c) Finished Goods Ledger Control A/c
(d) Cost Ledger Control A/c
(e) Factory Overhead Control A/c
(f) Office Overhead Control A/c
(g) Selling and Distribution Overhead Control A/c
(h) Costing Profit and Loss A/c

OR

Q4.C) In a company, the ratio of Variable Cost to sales is 75%. **(10)**
The Break Even Point occurs at 80% of capacity sales.
Fixed Cost is Rs 200000.

Calculate the following:

- Sales at BEP.
- Total Sales Capacity.
- Profit at 60% sales capacity.
- Profit at 75% sales capacity

Q4.D (From the following information, calculate Labour Variances. **(10)**

Standard for 200 units	10 hours	Standard rate per unit	Rs.3
Actual production	32000 units	Actual hours worked	1700 hours
Actual rate per hour	Rs. 4		

Q5. Answer the following:

a) What are the characteristics of Product Life Cycle? **(10)**
b) Define Contract Costing and explain the features of Contract Costing? **(10)**

OR

Q5. Write short notes on any four of the following: **(20)**

a) Characteristics of Target Costing.
b) Advantages of ABC Costing.
c) Cost Ledger Control Account.
d) Normal loss and Abnormal loss in Process Costing.
e) Break Even Point.
f) Labour Efficiency Variance.
