

4. The following particulars are available regarding four joint-products – A, B, C and D coming out of a common process during the month of December, 2024 :

Raw materials put in one tonne (1000 kgs.) and normal wastage during processing 100 kgs.

Weight of outputs :

	kgs.
A	90
B	180
C	360
D	270

Total processing cost ₹ 80,000.

You are required to apportion the joint-cost to the products.

5

5. (a) What do you mean by composite unit?
(b) Give two examples of composite unit used in Transport industry.

3+2

Group - B

Answer *any three* questions.

6. Pass necessary journal entries in cost-books for the following transactions : 10
- (a) Materials purchased on credit – ₹ 40,000
 - (b) Direct materials issued to production – ₹ 28,000
 - (c) Factory overhead recovered – ₹ 20,000
 - (d) Depreciation on Plant & Machinery – ₹ 5,000
 - (e) Goods completed and transferred to finished stock – ₹ 1,00,000.
7. Write short notes on (*any two*) : 5×2
- (a) Escalation Clause
 - (b) Retention Money
 - (c) Inter-process Profit.

(3)

A(3rd Sm.)-Cost Accounting-II-MDC/MDC-3/CCF

8. XYZ Ltd. produces two products, i.e., 'P' and 'Q'. The particulars relating to two products are given below :

	<u>Product</u> P	<u>Product</u> Q
Direct material cost per unit	₹ 20	₹ 24
Direct wages per unit	₹ 20	₹ 16
Units Produced	400 units	400 units
Direct Labour Hours per unit	24	24
Material moves per product-line	20	28

Budgeted material handling cost for two products is ₹ 48,000.

You are required to determine –

- (i) Cost per unit of the products using Volume Based Allocation method (Direct labour hour rate method).
(ii) Cost per unit of the products using Activity Based Costing method. 5+5
9. From the following information, prepare a reconciliation statement and determine the net profit as per cost records : 10

	<u>As per financial</u> <u>records</u> (₹)	<u>As per cost</u> <u>records</u> (₹)
Factory expenses	12,130	10,500
Office expenses	5,340	5,000
Selling expenses	7,100	7,500
Closing stock	4,080	4,280
Depreciation	3,000	2,000
Dividend received	1,000	–
Net profit	50,000	?

10. Briefly discuss any two methods of accounting for joint-products and by-products. 5+5

Please Turn Over

(1705)

Group - C

Answer *any two* questions.

11. On 1st January, 2024, Builders Ltd. started work on contract no.-585 for the construction of a building for a contract price of ₹ 18,00,000. Budgeted cost of the contract was ₹ 15,00,000. The particulars in regard to the contract for the year ended 31st December, 2024 were as follows :

	₹
Materials issued to the contract	3,00,000
Wages paid	6,00,000
Materials returned to stores	7,500
Materials in hand (31.12.2024)	18,000
Plant at cost (to be depreciated 20% p.a)	2,00,000
General overhead (allocated to the contract)	7,500
Direct expenses	9,000
Cost of work not yet certified	60,000

Up to close of the year ₹ 8,64,000, being 90% of the work certified amount was received.

Prepare the Contract Account (No.- 585) showing the profit or loss of the contract during the period.

15

12. X Ltd. produces a single product which passes through two processes. From the following information, prepare Process A/c, Normal Loss A/c, Abnormal Loss A/c and Abnormal Gain A/c :

15

	<u>Process - A</u>	<u>Process - B</u>
Raw materials issued (3000 units)	₹ 15,000	—
Additional Materials	₹ 1,000	₹ 780
Direct Wages	₹ 14,000	₹ 20,000
Production overhead	₹ 3,000	₹ 7,500
Normal loss as % of input	10%	5%
Scrap value per unit	₹ 2.00	₹ 5.00
Output in units	2800	2600

(5)

A(3rd Sm.)-Cost Accounting-II-MDC/MDC-3/CCF

13. A transport company runs 5 buses between two places covering a distance of 50 km. Seating capacity of each bus is 60 passengers. The expenses for the month of April, 2024 were as under :

	₹
Salaries of drivers and conductors	1,80,000
Salaries of mechanical staff	18,000
Diesel, Oil and Lubricants	1,20,000
Taxes, Insurance etc.	15,600
Repairs and Maintenance	24,000
Depreciation	96,000

Each bus makes four round trips daily. For 3 buses, 60% of the seating capacity were utilized and these 3 buses ran 20 days a month.

The remaining 2 buses ran 25 days a month and 80% of the seating capacity was utilized.

Find out the cost per passenger-kilometer.

15