

026COM011 – J – 24 – 3465



SIXTH SEMESTER B.COM. (NEP) DEGREE EXAMINATION, JULY/AUGUST 2024

COMMERCE

Cost Accounting – Principles and Practice – II

DSC – I

Time : 2 Hours]

[Max. Marks : 60

Instructions : 1) Answer **all** the Sections according to **internal** choice.

2) **Use** of simple calculator is **allowed**.

3) Question No. 11 is **compulsory**.

SECTION – A

Answer **any five** of the following.

(5×2=10)

1. a) What is profit reconciliation statement ?

b) What is by product ?

c) Write two features of process costing.

d) Write two objectives of job costing.

e) Find out profit to be transferred to profit and loss account.

Estimated profit – ₹ 40,000

Work certified – ₹ 1,80,000

Contract price – ₹ 2,00,000

f) What do you mean by contribution ?

g) Calculate P/V Ratio. Selling price – ₹ 20/-, Variable cost – ₹ 5/-.

[P.T.O.]



SECTION – B

Answer **any four** of the following.

(5×4=20)

2. Write any 5 characteristics of process costing.
3. Karwar transport company runs the following buses in the city limits of Karwar for 25 days in the month.
15 Buses of 40 passengers capacity.
10 Buses of 50 passengers capacity.
On an average each bus makes 10 trips a day covering a distance of 10 kms in each trip with 80% of seats occupied generally 20% buses are kept away from the roads for repairs. Calculate total passenger kilometer.
4. Calculate :
 - a) Contribution
 - b) P/V Ratio
 - c) BEP in units.Selling price per unit – ₹ 20
Variable cost per unit – ₹ 10
Fixed cost – ₹ 1,80,000.
5. Prepare a reconciliation statement from the following :
Profit as per cost Account – ₹ 40,000
Interest debited in F. A/c – ₹ 2,000
Over absorption of overhead in cost A/c – ₹ 16,600
Preliminary expenses written off – ₹ 2,600
Undervaluation of opening stock in cost A/c – ₹ 3,000
Overvaluation of closing stock in cost A/c – ₹ 5,000
6. From the following information, prepare a estimation for Job No. 800.
Raw materials – ₹ 34,000
Direct wages – ₹ 40,000
Factory expenses – 50% of wages
Office expenses – 20% on factory cost
The quotation should include a profit of 25% on cost.



SECTION – C

Answer **any three** from following. Question No. 11 is **compulsory**. (3×10=30)

7. Prepare a statement of reconciliation from the following data :

a) Net profit as per Cost Accounts	₹ 2,50,000
b) Work overhead charged in Cost A/c	₹ 51,000
c) Work overhead charged in Financial A/c	₹ 42,000
d) Income tax provided in Financial A/c	₹ 80,000
e) Provision for doubtful debts	₹ 30,000
f) Dividend on investment not included in cost A/c	₹ 13,000
g) Stores adjustment credited in Financial A/c	₹ 2,000
h) Share transfer fees credited in Financial A/c	₹ 8,000
i) Depreciation as per Cost A/c	₹ 10,000
j) Depreciation as per Financial A/c	₹ 18,000
k) Loss on sale of asset	₹ 12,000
l) Preliminary expenses written off	₹ 51,000

8. In a factory the product passes through two Process X and Y. During the year 2023, 10,000 units of materials costing Rs. 6 each were introduced in Process X. The other costs were as follows :

Particulars	Process X	Process Y
Materials	—	6,140
Labour	10,000	6,000
Overheads	6,000	4,600
Output in units	9,300	9,200
Normal loss	5%	2%

Prepare process accounts.



9. Sky contractors undertook a contract for Rs. 10 lakh for the year ending 31-3-2024. The other details are as follows :

Materials	₹ 2,00,000
Wages	₹ 2,50,000
Material returned to stores	₹ 5,000
Material @ site on 31-3-2024	₹ 5,000
Plant installed	₹ 2,00,000
Administrative expenses	₹ 40,000
Plant transferred to other contract on 31-3-2024	₹ 20,000
Cash received from contractee	₹ 6,30,000
Work uncertified	₹ 30,000

Contractee retain 10% of the value of work done and certified.

Prepare the contract account.

10. Briefly explain the key factors of marginal costing.

11. Haveri transport company runs a bus between Haveri and Karwar. The distance between two city is 220 kms each way. Following are the other information for the month of May 2024.

Cost of Bus	₹ 24,00,000
Depreciation charged @	10% P.A.
Salary of Driver	₹ 25,000 p.m.
Salary of Conductor	₹ 25,000 p.m.
Insurance, road tax and permit fees	₹ 9,000 p.m.
Normal capacity of Bus	50 passenger
Diesel cost (4 km per litre)	₹ 80 per litre
Garage rent	₹ 11,100 p.m.
Repair and maintenance	₹ 10,000 p.m.

The bus runs on average 30 days, in a month. Bus carries 100% of its capacity towards Karwar and while return journey 90% capacity. You are required to calculate :

- Cost per passenger km.
- Bus fare to be charged each way if a company wants to earn a profit of 25% on cost.