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B.Com SEM V

11-12

Question Papers

B.Com. (Semester - V) Examination, October 2009 / 2012
 ENTREPRENEURSHIP MANAGEMENT

Duration : 2 Hours

13

Total Marks : 80

- Instructions :**
- All questions are compulsory, however internal choice is available.
 - Answer sub-questions in Question 1 and Question 2 in not more than 100 words each.
 - Answer questions from Question 3 to Question 6 in not more than 400 words each.
 - Figures to the right indicate maximum marks to the question/sub-question.
 - Paper carries maximum of 80 marks.

1. Answer any four of the following :

- Origin and growth of entrepreneurship Concept of entrepreneurship 16
- Qualities of an entrepreneur - any 4 Any 4 qualities of entrepreneur
- Sociological theory of entrepreneurship Sociological theory of entrepreneur
- Imitative entrepreneur Need for mkt survey
- Delphi technique Women entrepreneur
- Concept of intrapreneur. Intrapreneur

2. Answer any four of the following :

- Importance of project report Project Appraisal 16
- Feasibility analysis Break even Analysis
- Project appraisal Incubation centres
- Process need as a factor of purposeful innovation Significance of project innovation
- Role of incubation centres Process need as factor of purposeful innovation
- Techno-economic analysis. Feasibility Analysis.

3. a) Describe the skills required for entrepreneurship.

OR State & explain 6 fn of entrepreneur 12

x) Explain the functions of an entrepreneur. 12

Describe any 6 skills.

P.T.O.



4. ¹⁴ Explain 6 types of entrepreneurs
a) Describe the role of entrepreneurship in economic development of our country. 12

OR
x) Comment on role of entrepreneurship in devel of econ 12

5. a) Describe the steps involved in identification of a business opportunity. 12

OR
x) What is project report? Explain contents of a project report. 12

6. a) Explain the principles of purposeful innovation. 12

OR
x) Explain the factors of purposeful innovation. 12
Explain SWOT Analysis as a techniques of identifying & analysing Bus. opportunity by an entrepreneur.

B.Com. (Semester - V) Examination, October 2009 / 2012
COST AND MANAGEMENT ACCOUNTING
Major 3 (Cost and Management Audit)

Duration : 2 Hours

9

Max. Marks : 80

Instructions : 1) All questions are compulsory.

2) Figures to the **right** indicate maximum marks allotted to question/sub-question.

3) Answer sub-questions in Q. No. 1 and Q. No. 2 in not more than 100 words each.

4) Answer Q. No. 3 to Q. No. 6 in not more than 400 words each.

1. Answer any four of the following :

16

- ~~i) Propriety Audit~~ social Audit
~~ii) Efficiency Audit~~ General Obj of Cost Audit
~~iii) Disqualifications of cost auditor~~ Appointment of cost auditor
~~iv) Qualities of cost auditor~~ Duties of cost Auditor
~~v) Rights of cost auditor~~ Criminal liabilities of Cost "
vi) Ceiling on number of cost audits. cost auditor as a servant.

2. Answer any four of the following :

16

- ~~i) Cost audit programme~~ Familiarisation with industry
~~ii) Familiarisation with Industry~~ Cost Audit Notes
~~iii) Working papers~~ Cost Audit Programs.
~~iv) Audit Notes~~ Cost Audit working papers
~~v) Internal check~~ Internal check
vi) Types of Internal control. Administrative control.

Types Audit

SM - 13

3. a) What are the objectives of cost audit? Discuss. *under this method, the items of pop have equal chance to select*
- b) Discuss duties of a cost auditor. *What is cost audit? characteristics*

OR

10

3. x) Distinguish between cost audit and financial audit.
- y) State qualifications of a cost auditor. *Explain scope of CA in general for many concerns*
4. How is a cost auditor appointed? Discuss legal provisions relating to the appointment. *What are the ethical & legal responsibilities of CA.*

OR

4. What are the different liabilities of a cost auditor? *Rights of cost auditor*

5. Discuss different cost accounting records as required by a cost auditor for the purpose of cost audit. *Write the preliminary info that CA has to acquire for OR familiarize with Co & manuf process.*

5. What are the different techniques of cost audit? Discuss. *Explain tech of CA*

6. a) What is Internal control? Discuss different objectives of internal control.
- b) Can a cost auditor exercise a Lien on company's records?

OR Define internal control system & explain its obj

6. x) What is internal audit? Discuss its objectives.

- y) What do you mean by familiarisation with a company?

What is internal audit? its obj.

Random number select method is an oldest & widely used method in statistical sampling. Under this method all items of pop have equal chance to be selected. This method is useful for small sample size. In this method the items of pop are selected on random basis, one serially over & placed in a basket. These items in a basket are shuffled properly, the grey no. of item then pick up from random basis. The random sam method is inclusive & entire. The grey no. of item is selected from the basket & removed from the basket. The items in the basket are shuffled once again & the next item is selected. This process is repeated until all items are selected. The items which are selected are removed from the basket & placed in a separate basket.



VED – 01

B.Com. (Semester – V) Examination, October 2012
INDUSTRIAL MANAGEMENT – I

Duration: 2 Hours

27

Max. Marks: 80

- Instructions:**
- All questions are **compulsory**, however, **internal choice** is available.
 - Answer sub-questions in Q. 1 and Q. 2 in not more than **100 words each**.
 - Answer Q. No. 3 to 6 in not more than **400 words each**.
 - Figures to the **right** indicate **maximum** marks to the questions.

- Write short notes on **any 4** of the following : (4×4=16)
 - Input elements in the industrial management process
 - Principles of scientific management (any four)
 - Objectives of scientific management (any four)
 - Aims of NPC
 - Features of work study
 - Concept of work measurement.
- Answer in brief (**any 4**) : (4×4=16)
 - Concept of TQM
 - Quality circle-Features (any four)
 - Force Field Analysis
 - Environmental causes of industrial accidents (any four)
 - Occupational health
 - ISO-14000
- Explain how technological, organisational and labour factors enhance the rate of industrial productivity. 12

OR

 - Describe the concept and financial aspect of rationalisation. 12

P.T.O.

VED - 01

28

4. a) "Work measurement ensures the increase in industrial productivity", explain in the light of significance of work measurement.

OR

b) Explain the importance of method study.

5. a) "TQM enriches the satisfaction level of stakeholders", elaborate in the light of benefits of TQM.

OR

b) Describe the CPM and FMEA methods of TQM.

6. a) Explain the mechanical and human causes of industrial accidents.

OR

b) Explain the code of practices in industries to prevent the accidents.



6

VED – 03

B.Com. (Sem. – V) Examination, October 2012
BUSINESS ECONOMICS – INTERNATIONAL TRADE AND FINANCE

Duration : 2 Hours

Total Marks : 80

Instructions : 1) All questions are compulsory, however internal choice is available.

2) Figures to the right indicate maximum marks.

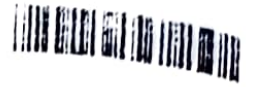
3) Start each question on a fresh page.

4) Answer to questions 3 to 6 must be of approximately 400 words each.

1. Answer any four of the following in approximately 100 words. 16
- a) Define international trade.
 - b) Explain the concept of net barter terms of trade. *N.B.T.T. = $\frac{D_x}{D_y}$ (Barter Terms)*
 - c) Give any two merits of fixed rate of exchange.
 - d) Write a note on Arbitrage. *buying currency in a country and selling it in other country with the aim of profit.*
 - e) What is hedging?
 - f) Write a note on role of multinational companies.
2. Answer any four of the following in approximately 100 words. 16
- a) Define disequilibrium in BOP.
 - b) Give any two distinctions between monetary and non monetary measures.
 - c) Write a note on cyclical disequilibrium.
 - d) What is free trade ?
 - e) Write a note on WTO.
 - f) Give any two types of tariffs.
3. i) Write a note on factors influencing international trade. 12
- OR
- ii) Write a note on types of gains in the international trade.

VED - 03

7



4. i) State and explain the features of foreign exchange market. 12

OR

ii) Describe any four transactions taking place in foreign exchange market.

* 5. State and explain the structure of (BOP) Balance of Payments. 12

OR

Write a note on types of disequilibrium in balance of payments.

6. Explain in brief the arguments in favour of protection policy. 12

OR

What are the advantages of free trade policy?

B.Com. (Semester - V) Examination, April 2012
COST AND MANAGEMENT ACCOUNTING (Major - 1)
Process Costing and Integral Accounting

Duration : 2 Hours

Total Marks : 80

- Instructions :** 1) Question No. 1 is compulsory.
 2) Answer **any three** questions from the **remaining** questions.
 3) Figures to the **right** indicate **full marks**.

Shantu Ltd. Manufactured electric Irons. Following were the particulars for the manufacture and sale of 1,000 electric Irons during the year 2010 :

	Rs.
Direct Material Cost	80,000
Direct Wages	1,20,000
Manufacturing Expenses	50,000
Selling Overheads	40,000
Office Overheads	90,000

During the year 2011, it was estimated that :

- 1) Production would be increased to 1,500 electric Irons.
- 2) Material cost per unit would increase by 25%.
- 3) Wages per unit would decrease by 10%.
- 4) Total Office overheads would increase by Rs. 60,000.
- 5) Manufacturing Expenses would increase in proportion to the combined cost of material and wages.
- 6) Selling Overheads per unit would remain the same.

You are required to prepare :

- a) Cost Sheet for the year 2010 showing total and per unit cost and
- b) Cost sheet for the year 2011 showing the price at which the electric Irons should be marked so as to show a profit of 20% on selling price.

20

25% on cost

P.T.O.



2. A product passes through three processes P, Q and R. The details of expenses incurred on the three processes during the year 2010 were as under :

Particulars	Process P	Process Q	Process R
Units of Raw material introduced	1,000	-	-
Cost per unit of Raw Material (Rs.)	3	-	-
Other Materials (Rs.)	3,600	2,980	3,962
Labour (Rs.)	2,000	3,000	4,000
Other Expenses (Rs.)	1,000	2,000	3,000
Normal Loss	5%	10%	15%
<i>Scrap</i> - Sale Value of normal loss per unit (Rs.)	2	4	5
Output-units	950	840	750

Prepare Process Accounts and Normal Loss Account.

20

3. A product passes through three processes A, B and C before it is transferred to Finished Stock. The following information is obtained for the year 2010 :

	Process A	Process B	Process C	FIN.STOCK
Direct Material (Rs.)	30,000	20,000	40,000	-
Direct Wages (Rs.)	20,000	30,000	10,000	-
Closing Stock (Rs.)	10,000	20,000	30,000	30,000
Profit on transfer				
Price	20%	20%	20%	-
Sales (Rs.)				1,50,000

Stocks in the processes are valued at prime cost and finished stock has been valued at the price at which it was received from process C.

Prepare Process Accounts and Finished Stock Account showing the profit element at each stage.

20

T C P
 30,000 30,000
 20,000 20,000
 40,000 40,000
 10,000 10,000
 20,000 20,000
 30,000 30,000
 1,50,000
 2010
 801 SP

4. a) Pass the Journal entries in the cost books (non-integrated accounting system) for the following transactions :

	Rs.	
i) Materials purchased	3,00,000	
ii) Carriage Inwards	3,000	
iii) Materials issued for production	1,89,000	
iv) Materials used in repairs	5,000	
v) Materials returned to supplier	17,000	
vi) Direct Wages paid	69,000	
vii) Cost of completed work	4,00,000	14

b) What is a cost sheet ? What are the purposes of a cost sheet ? 6

5. a) From the following information, pass the journal entries under the system of integrated accounts :

	Rs.	
i) Materials purchased on credit	80,000	Stores ledger control To Cr
ii) Wages paid	45,000	wage control A/c To cash etc
iii) Wages Productive	35,000	WZP control A/c To wage control
iv) Wages Unproductive	10,000	Work Exp Control To wage control
v) Factory Expenses incurred	13,000	work Exp Control To cash
vi) Factory Expenses charged to production	14,000	
vii) Payment to creditors	30,000	WZP a/c to stores ledger a/c → sundry Cr To cash/Bank

b) From the following details prepare a Statement of Equivalent Production and ascertain the element wise cost per unit of Equivalent Production :

Input - 4,600 units

Output - 4,000 units

Closing Work in Progress - 600 units

Degree of completion of closing work in progress :

Material - 100%, Labour - 50% and Overheads - 40%.

Process cost - Materials Rs. 23,000, Labour Rs. 12,900 and Overheads Rs. 8,480.



6. a) What is Non-Integrated system of Accounting ? Explain in brief four principal ledgers maintained in Cost Department. 5
- b) Write a note on Accounting for Materials under non-integrated accounting system. 5
- c) What is integrated Accounting System ? Explain in brief any three Accounts maintained under this system. 5
- d) What are the benefits of integral accounting system ? 5
-

✓ B.Com. (Semester - V) Examination, April 2012
COST AND MANAGEMENT ACCOUNTING - Major-2
(Methods and Techniques of Costing - I)

Duration : 2 Hours

Total Marks : 80

- Instructions :** 1) Question No. 1 is compulsory.
2) Attempt any three questions from Q. 2 to Q. 6.
3) All questions carry equal marks.
4) Give working notes wherever necessary.

1. The following information relates to a building Contract for Rs. 1 crore : 20

	2009	2010
	Rs.	Rs.
Materials issued	30,00,000	8,40,000
Direct wages	25,20,000	11,50,000
Indirect expenses	60,000	14,000
Work certified	75,00,000	1,00,00,000
Work uncertified	80,000	-
Materials at site at the end of the year	50,000	70,000
Plant issued	1,40,000	20,000
Cash received from contractor	60,00,000	1,00,00,000

The value of plant at the end of 2009 and 2010 was Rs. 70,000 and Rs. 50,000 respectively.

Prepare contract A/c and contractor's account for the two years.

- ✓ 2. A transporter runs a bus on a 20 km. long route. The cost of the bus is Rs. 5,00,000 and its expected life is 5 years. The bus is insured at 3% p.a. The annual tax is Rs. 10,000. Garage rent is Rs. 1,000 per month. Annual repairs is Rs. 10,000.

Driver's salary is Rs. 1,500 per month and conductor's salary Rs. 1,000 per month. Cost of stationary per month is Rs. 500 and Manager's salary Rs. 3,500 per month.

Petrol and oil costs Rs. 250 per 100 kms. The bus makes 3 round trips carrying 40 passengers on an average per trip. Assuming 15% profit on takings, calculate the bus fare per passenger kilometer. The bus runs 25 days in a month. Prepare the operating cost statement.

20

P.T.O.

3 a) Prepare a Cash Budget for the months of May, June and July 2011 from the following anticipated figures.

Month	R Credit Sales Rs.	P Credit Purchases Rs.	P Wages Rs.	P Manufacturing Expenses Rs.	P Office Expenses Rs.	P Selling Expenses Rs.
March	60,000	36,000	9,000	4,000	2,000	4,000
April	62,000	38,000	8,000	3,000	1,500	5,000
May	64,000	33,000	10,000	4,500	2,500	4,500
June	58,000	35,000	8,500	3,500	2,000	3,500
July	56,000	39,000	9,500	4,000	1,000	4,500

- a) Cash Balance on 1st May 2011 Rs. 8,000.
- b) Plant costing Rs. 16,000 is due for delivery in July, payable 10% on delivery and balance after 3 months.
- c) Advance Tax of Rs. 8,000 each is payable in March and June.
- d) Credit period allowed by suppliers – 2 months
- e) Credit period allowed to customers – 1 month
- f) Lag in payment of Manufacturing expenses – 1/2 month
- g) Lag in payment of office and selling expenses – 1 month
- h) Wages are paid on the first of next month.

b) Explain the various methods of By-product accounting.

4. The expenses for a budgeted production of 10,000 units in a factory are given below:

Prepare a flexible budget for production of 8,000 units and 6,000 units and indicate the cost per unit in each case. Administration expenses are fixed at all levels.

	Per unit Rs.
Material	70
Variable overheads	20



12

Direct Expenses (variable)	5
Distribution expenses (20% fixed)	7
Wages	25
Fixed Overheads (Rs. 1,00,000)	10
Selling Expenses (10% fixed)	13
Administration Expenses (Rs. 50,000)	5

5. a) Discuss the functions and responsibilities of a management accountant. **10**
- b) Explain all the factors to be considered in preparing sales budget. **10**
6. Write short notes on **any four** : **20**
- a) Joint products
 - b) Retention money is contracts
 - c) Objectives of management accounting
 - d) Cost of production budget
 - e) Batch costing
 - f) Master budget.
-

B.Com. (Semester - V) Examination, October 2012
 Major 2 : COST AND MANAGEMENT ACCOUNTING
 Methods and Techniques of Costing - I

Duration : 2 Hours

Total Marks : 80

- Instructions :** 1) Question No. 1 is compulsory.
 2) Answer any 3 questions from Q. 2 to Q. 6.
 3) All questions carry equal marks.
 4) Give wkg. notes wherever necessary.

1. Amar Builder's under took a work for Rs. 4,50,000 on 1-7-2011. Of the machinery's and materials charged for contract, machinery worth Rs. 5,000 and materials Rs. 4,000 were loss in accident.

On 30th June 2012, machinery worth Rs. 5,000 was returned to stores. Uncertified work was Rs. 2,000 and closing stock of materials were Rs. 4,000. Provided 10% Depreciation on machinery. Prepare Contract Account and Balance Sheet from the following :

Particulars	Debits (Rs.)	Credit (Rs.)	
Share capital	-	1,20,000	
Creditors	-	10,000	
Cash received (Being 80% of work certified)	-	2,00,000	
Land and Building	43,000	-	
Bank Balance	25,000	-	
Charged to contract :			
Materials	90,000		
Wages	1,40,000		
Machineries	25,000		
General expenses	7,000		
	3,30,000	3,30,000	20

P.T.O.

2. Mr. Ashok is owner of a Mini-bus. He gives you the following data to find out cost per running K.M.

Cost of the bus	Rs. 12,00,000
Road licence Fee	Rs. 15,000 P.A.
Salary of a Supervisor	Rs. 10,000 P.M.
Garage rent	Rs. 11,000 P.A.
Annual insurance	Rs. 10,000
Drivers wages	Rs. 100 per hour
Cost of Diesel	Rs. 45 per litre
Cost of Tyre	Rs. 3 per K.M.
Maintenance Exp.	Rs. 2,000 P.M.
Kms run per litre	6
Annual Kms	30,000

Estimated life of the bus 1,20,000 Kms. The bus covers 20 Kms per hour.

3. The following is the data related to budgeted production of 8000 units.

Particulars	CPU (Rs.)
Materials	50
Wages	30
Direct expenses (variable)	10
Factory over head (Fixed)	2,50,000
Office over head (Fixed)	05
Selling over head (40% fixed)	10
Distribution overhead (60% variable)	15

Prepare a flexible budget for O/P of 4,000 and 6,000 units, showing CPU is each case and total cost also.

~~100 = 24~~
2400

V



12

4 A) From the given data prepare a cash Budget for the 3 months ending 30th Spt. 2012 :

Month	Sales	Materials	Wages	Overheads
	Rs.	Rs.	Rs.	Rs.
May	14,000	9,600	5,000	3,000
June	15,000	9,000	6,000	2,000
July	16,000	9,200	7,000	1,000
August	17,000	10,000	3,000	2,000
Spt.	18,000	10,400	4,000	1,000

Additional data :

- 1) 40% sales are on cash.
- 2) 60% credit sales to be collected next month.
- 3) Creditors – Materials – 2 months.
Wages and overheads – 1 month each.
- 4) EMI of P and M Rs.5,000 P.M. starting from July.
- 5) Dividend at 5% on pre share capital of Rs. 2,00,000 will be paid on Spt., 1st.
- 6) Advance to be received for sale of old vehicles Rs. 10,000 in July.
- 7) Dividend to be received Rs. 5,000 during August and Spt. month respectively.
- 8) Advance Income-tax due in July Rs. 4,000 only
- 9) Expected cash and Bank Balance on 1st July 2012 – Rs. 15,000.

15

B) Write in short about contents of contract agreement.

5

5. A) Write the scope of Management Accounting.
- B) Main product "A" yields two by products B and C. The total joint expense was Rs. 20,600. Subsequent expenses were. A - Rs. 1,000, B - Rs. - 770 and C - Rs. 630 Ascertain share of "A" in joint expense. When B was sold for Rs. 10,000 and C for Rs. 5,000 with a profit of 25% and 20% respectively.
- (10×2=20)
6. Write short notes on **any four** :
- 1) Job order costing.
 - 2) Batch costing.
 - 3) Functions of Management Accounting.
 - 4) Master Budget.
 - 5) Power house costing.
 - 6) Profit calculation on in-completed contract work.
- (5×4=20)
-



6

VED – 03

B.Com. (Sem. – V) Examination, October 2012
BUSINESS ECONOMICS – INTERNATIONAL TRADE AND FINANCE

Duration : 2 Hours

Total Marks : 80

Instructions : 1) All questions are compulsory, however internal choice is available.

2) Figures to the right indicate maximum marks.

3) Start each question on a fresh page.

4) Answer to questions 3 to 6 must be of approximately 400 words each.

1. Answer any four of the following in approximately 100 words. 16
- a) Define international trade.
 - b) Explain the concept of net barter terms of trade. $NBTTR = \frac{P_x}{P_y} \times \frac{Q_x}{Q_y}$
 - c) Give any two merits of fixed rate of exchange.
 - d) Write a note on Arbitrage. *buying currency in a country and selling it in other country with the help of profit.*
 - e) What is hedging?
 - f) Write a note on role of multinational companies.
2. Answer any four of the following in approximately 100 words. 16
- a) Define disequilibrium in BOP.
 - b) Give any two distinctions between monetary and non monetary measures.
 - c) Write a note on cyclical disequilibrium.
 - d) What is free trade ?
 - e) Write a note on WTO.
 - f) Give any two types of tariffs.
3. i) Write a note on factors influencing international trade. 12

OR

- ii) Write a note on types of gains in the international trade.

VED - 03

7



4. i) State and explain the features of foreign exchange market.

12

OR

ii) Describe any four transactions taking place in foreign exchange market.

5. State and explain the structure of (BOP) Balance of Payments.

12

OR

Write a note on types of disequilibrium in balance of payments.

6. Explain in brief the arguments in favour of protection policy.

12

OR

What are the advantages of free trade policy?

21

Pooja Kunkalkar

VED - 12

B.Com. (Semester - V) Examination, October 2012
 Major - I : COST AND MANAGEMENT ACCOUNTING
 Process Costing and Integral Accounting

Duration : 2 Hours

Total Marks : 80

- Instructions :
- i) Question No. 1 is compulsory.
 - ii) Answer any three questions from the remaining questions.
 - iii) Figures to the right indicate full marks.

⊙

1. Product 'D' passes through three processes X, Y and Z before it is completed and transferred to finished stock. It is ascertained from past experience that normal loss is incurred in each process as under. Process X = 2%, Process Y = 5% and Process Z = 10%.

20

The percentage of loss in each case is computed on the basis of the number of units entering the process concerned. The loss of each process possesses a scrap value which from processes X and Y realizes Rs. 1 per unit and from process Z at Rs. 4 per unit. The company provides the following information for the month of August 2011.

2,000 units of crude materials were introduced in process X at a cost of Rs. 8 per unit. The other expenses were as follow :

Particulars	Process X	Process Y	Process Z
	Rs.	Rs.	Rs.
Materials consumed	8,000	3,000	2,000
Direct labour	12,000	11,400	6,000
Works expenses	3,240	1,000	2,803
Output	Units	Units	Units
Stock on 1 st August, 2011	1,950	1,925	1,590
Stock on 31 st August, 2011	200	300	500
Stock valuation on 1 st August, 2011 per unit	Rs. 19	Rs. 27	Rs. 36.50

Stock on 31st August, 2011 are to be valued at cost as shown by the respective process accounts.

Prepare process X, Y and Z accounts and process stocks X, Y and Z accounts.

Handwritten calculations and notes:

2540
 23040
 20000
 3240
 23240

Imp 1/40x
 P.T.O.
 Adm - 2000
 46



2. A factory can produce 60,000 units per annum at its optimum (100%) capacity. The estimated costs of production are as follow :

- Direct materials @ Rs. 3 per unit
- Direct labour @ Rs. 2 per unit (subject to a minimum of Rs. 6,000 per month)
- Overheads :
 - Fixed, Rs. 1,00,000 per annum
 - Variable @ Rs. 2 per unit
 - Semi-variable expenses are Rs. 40,000 per annum upto 50% capacity and an additional Rs. 10,000 for every 20% increase in capacity or part there of.

DM (60,000 x 3) 1,80,000
 1,20,000
 30,000

Each unit of raw material yields a scrap which is sold @ 20 paise per unit. In 2011 the factory worked at 50% capacity for the first three months but it was expected that it would work at 80% capacity for the remaining nine months. During the first three months the selling price per unit was Rs. 12. What should be the price for the remaining nine months to earn a total profit of Rs. 1,00,000 for the year ?

Prepare a cost sheet showing the total cost and cost per unit during the first three months and the remaining nine months of the year 2011.

A product passes through three processes A, B and C after which it is transferred to finished stock. The following information is supplied for the month of April 2012.

Particulars	Process A	Process B	Process C	Finished stock
	Rs.	Rs.	Rs.	Rs.
Opening stock	1,000	1,200	800	3,000
Direct materials	2,000	2,100	3,000	-
Direct wages	1,500	1,500	1,600	-
Production overheads	1,400	600	4,000	-
Closing stock	500	600	400	1,500
Profit percentage on transfer price to next process	25%	20%	20%	
Inter-process profits for opening stock	-	200	200	1,100

1000
2000
40,000
2000
2000
2000

1000
2000
1300
1000
3900

GP - 25%
Prod 25%

2700
200
2900

40,000 x 12
 480,000
 100,000
 380,000

50% x 3000
1500
3000
9000

100000 x 12
1200000
1200000 / 3 = 400000



Stocks in-processes are valued at prime cost and finished stock has been valued at the price at which it was received from process C. Sales during the period were valued at Rs. 40,000.

Prepare :

- i) Process accounts showing profit element at each stage, and
- ii) Finished stock account.

4. a) The following transactions are taken from the costing records and financial books of a factory, pass the Journal Entries in the cost Journal under the non-integrated system of accounting.

- i) Raw materials purchased on credit Rs. 25,000 *Stores ledger Cr. 14 to Sundry Cr*
- ii) Direct materials issued to production Rs. 18,000 *WZP to Stores ledger Cr*
- iii) Raw materials returned to suppliers Rs. 1,400 *Sundry Cr to Stores ledger Cr*
- iv) Materials transferred from job no.12 to job no.14 Rs. 600
- v) Wages paid to direct labour Rs. 20,000
- vi) Wages paid to unproductive labour Rs. 2,500
- vii) Cost of completed jobs Rs. 28,000.

b) What is unit costing ? How cost of goods sold and cost of sales are calculated in the cost sheet ?

6

5. a) Journalise the following transactions assuming cost and financial accounts are integrated.

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- i) Raw materials purchased on credit Rs. 40,000 *Stores ledger Cr. 14 to Sundry Cr*
- ii) Wages charged to production Rs. 8,000
- iii) Manufacturing expenses paid Rs. 6,000
- iv) Direct wages paid Rs. 20,000
- v) Receipts from debtors Rs. 16,000
- vi) Payment to creditors Rs. 12,000 *Sundry Cr to Cash/Bank*
- vii) Credit sales Rs. 17,000.



b) You are given the following information :

Input 8,000 units ; output 7,500 units ; closing work-in-progress 500 units.

Stage of completion of W.I.P. is as follow :

Particulars	Degree of completion	Process costs Rs.
Materials	80%	43,450
Labour	75%	15,750
Overheads	60%	19,500

Prepare a statement of equivalent production and ascertain the element wise cost per unit of equivalent production.

6. a) List out the advantages of maintaining a cost ledger. 5
- b) What is non-integral accounting ? Explain any two ledgers maintained in cost department. 5
- c) What are the essential features of Integral Accounting ? 5
- d) Briefly explain integrated accounting system and list out its advantages. 5