Seat No:_______________ Enrollment No:_______________

PARUL UNIVERSITY

FACULTY OF COMMERCE

B.Com. (Hons.) Summer 2018 - 19 Examination

Semester: 4 **Date: 04/04/2019**
Subject Code: 16100252 **Time: 10:30 am to 1:00 pm**
Subject Name: Cost Accounting-II **Total Marks: 60**

Instructions:
1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1 Do as directed.

A) Multiple choice type questions. (Each of one mark) **(06)**

1. Job costing is used in:
   a) Printing Press b) Oil Factory
   c) Constructions work d) None of the Above
2. What is the full form of EBQ
   a) Economic Branch Quantity b) Economic Batch Quantity
   c) Economic Business Quantity d) Economic Batch Quality
3. Contract Costing is used in:
   a) Road Construction b) Bridge Construction
   c) Both (a) and (b) d) None of the Above
4. Identify the wrong Contract Costing Procedure Step
   a) Contract Account b) Transfer of Material or Plant
   c) Profit and Loss on Contract d) Prepare Extra work sheet
5. Process costing is not applicable in
   a) Road and Building Construction b) Chemicals Works
   c) Textile Mills d) Soap Making
6. What are main the process loss and wastage?
   a) Normal Process Loss b) Abnormal Process Loss
   c) Semi Process Loss d) Both (a) and (b)

B) True and False: **(06)**

1. Abnormal loss can be control by the management and workers
2. The production is continuous and the final product is the result of a sequence of processes
3. Product is against customer' order in Process Costing
4. Production made in order to customers' requirement and specification in batch costing
5. In the formula of EBQ "C" stands for Carrying Cost
6. "Cost are separately calculated for each job, which is cost unit" this is Job Costing

Q.2 Short Note Questions. (Each of 04 mark) **(12)**

1. Discuss the objectives of Job Costing.

2. A contractor Mr. Patel has to supply 10,000 paper cones per day to a textile mill. He finds that when he starts a production run, he can produce 25,000 Paper cones per day. The cost of holding a paper cone in stock for 1 year is 2 Paisa & the setting-up cost of a production run is Rs18. How frequently should production runs be made?

3. A Factory uses Job Costing. The following data are obtained from its book for the year ended 31st December, 2011:

Direct Materials	90,000/-	Selling & Distribution Overheads	52,500/-
Direct Wages	75,000/-	Administration Overheads	42,000/-
Profit	60,900/-	Factory Overhead	45,000/-

Prepare a Job Cost Sheet indicating the prime cost, work cost, production cost, cost of sale and sales value.

Q.3 Answer the following. (Any Three) **(18)**

1. Define the Essential Characteristics of Process Costing.

2. Discuss the meaning of Integrated Accounts with its advantages.

3. Explain the features of Contract Costing.

4. X, Y and Z are the three joint products in a factory. Their joint cost is Rs. 30,000. Quantities produced are as follows:

X	1000
Y	400
Z	600

On the basis of technical evaluation, a point allotted to X is 3.2, Y is 5 and Z is 8 per unit. Prepare the statement of joint cost

Q.4 Answer the following. (Any two) **(18)**

1. Explain Non-Integrated Accounts and what are the Ledgers to be maintained in Non-Integrated Accounts?

2. Discuss the comparison of Job Costing and Contract Costing. Explain the Contract Costing Procedure.

3. A product passes through three processes A, B and C. The normal wastage of each process is as follows:

Process A 3% Process B 5% Process C 8%

Wastage of Process A was sold at 25 paisa per unit, that of process B at 50 paisa per unit and that of process C at Rs. 1 per unit.

10,000 units were issued to Process A in the beginning of October, 2018 at a cost of Rs. 1 per unit. The other expenses were as follows:

	Process A	Process B	Process C
Materials	Rs. 1000	Rs. 1500	Rs. 500
Labour	5000	8000	6500
Direct Expenses	1050	1188	2009
Actual Output	9500 Units	9100 Units	8100 Units

Prepare the Process Accounts, assuming that there was no opening or closing stocks. Also give Abnormal Wastage and Abnormal Gain Accounts.