

FOURTH SEMESTER B.Com DEGREE EXAMINATION, APRIL 2023**(Regular/Improvement/Supplementary)****B.Com Professional****GBCP4B14T: APPLIED COST ACCOUNTING****Time: 3 Hours****Maximum Marks: 80****PART A: Answer all the questions. Each carries one mark.****Choose the correct answer.**

1. An automobile service unit usescosting.
A) Batch B) Contract C) Job D) Specific order
2. If the amount of work certified is less than of the contract price, then no profit should be taken to profit and loss account.
A) 25% B) 35% C) 50% D) 75%
3. An input of 1000 kgs of material introduced into the process and expected loss is 5% and if actual output from the process is 930, the abnormal loss iskgs
A) 70 B) 20 C) 30 D) 80
4. Volume variance arises because of;
A) Increase in overhead rate per hour B) Change in actual output from budgeted output
C) Decrease in overhead rate per hour D) Difference in budgeted and actual overheads
5. Production budget is a..... budget.
A) Fixed B) Master C) Functional D) Variable

Fill in the Blanks.

6. Paper industries use..... costing
7. In contract costing payment of cash to the contractor is made on the basis of
8. When actual loss is less than normal loss, the difference between loss is considered as
9. Standard cost is a..... cost
10. Master budget is summary of all..... budgets.

(10 × 1 = 10 Marks)**PART B: Answer any eight questions. Each carries two marks.**

11. What is tender price?
12. Comment on cost sheet?
13. What is job costing?

(PTO)

14. What is retention money in contract costing?
15. Give an account on equivalent production.
16. What is estimated costing?
17. What you mean by variance?
18. Differentiate between basic standard and current standard.
19. Define budgetary control.
20. What is ZBB?

(8 × 2 = 16 Marks)

PART C: Answer any six questions. Each carries four marks.

21. State the differences between standard costing and budgetary control.
22. What is cash budget? How it is prepared?
23. Distinguish between by-product, main product and join product.
24. From the following information calculate labour variances;
Standard hours 2000; standard wage rate Rs.4 per hour; Actual hours 2500; actual wage rate Rs.4.50 per hour. Time lost on account of power failure was 50 hours.
25. A company produced 1,000 units and sold it at Rs. 2,000 each during the year 2021-22.
Material Cost was Rs 5,00,000. Direct wages Rs. 6,00,000. Factory overhead and office overhead are 20% on wages and 10% on factory cost respectively. Ascertain the profit for the year 2021-22 by preparing cost sheet.
26. From the following information calculate total kms, and total passenger kms.

No. of Buses.	5
Days operated in the Month.	25
Trips made by each bus.	4
Distance of route.	40 kms (One side)
Capacity of Bus	40 passengers
Normal passenger travelling.	80% capacity

27. From the following data calculate material mix variance;

Material.	Standard.	Actual
A.	80 units at Rs.15.	90 units at 16
B.	70 units at Rs.18.	60 units at 20

28. What is batch costing? What are its features?

(6 × 4 = 24 Marks)

PART D: Answer any two questions. Each carries fifteen marks.

29. A company have prepared the budget for the production of 10,000 unit of a commodity manufactured by them for a period as follows :

Raw material	Rs. 5 per unit
Direct labour	Rs. 2 per unit
Direct expenses	Rs. 0.40 per unit
Work overheads (60% fixed).	Rs. 5 per unit
Administrative overheads (80% fixed).	Re.1 per unit
Selling overhead (50% fixed).	Rs.0.40

Actual Production during the period was only 8,000 units.

Calculate revised budget and cost per unit.

30. A product passes through processes A and B. From the given data prepare process accounts:

	Process A.	Process B
Materials (in Kgs)	3,000	175
Cost of materials per Kgs	30	50
Wages	10,000	26,000
Works overheads	12,000	8,000
Direct expenses	5,750	6,375
Loss in weight (% on input)	10%	5%
Scrap (defectives) (% on input)	12%	15%
Scrap is sold per Kgs.	35	50

31. ABC Ltd. undertook a contract for Rs.11 lakh on 1st January 2022 and incurred the following expenses on it up to 31st December 2022;

Material purchased	1,20,000
Material issued from Store	1,00,000
Plant issued	60,000
Wages paid	1,20,000
Wages Outstanding	30000
Office expenses	18,000

Cash received up to 31st December 2022 amounted to Rs 45,0000 being 75% of the work certified. Materials values Rs. 14,000 and plant costing Rs 10,000 were destroyed by fire in the department. On 31st December 2022, plant costing Rs 10,000 was returned to store and material costing Rs 11,000 were sold for Rs 17,000. The cost of work done but uncertified was Rs. 20,000 and material at site were valued at Rs 20,000. depreciation charge @ 15%.

Prepare contract account.

(2 × 15 = 30 Marks)