

2024

COST ACCOUNTING - II — MDC

Paper : MDC-3

Full Marks : 75

The figures in the margin indicate full marks.

*Candidates are required to give their answers in their own words
as far as practicable.*

Group - A

Answer **any three** questions.

1. (a) Mention one feature each of Job costing and Batch costing.
(b) Give example of one industry each, where Job costing method and Batch costing method is used.

(1½×2)+2

2. Total cost of contract to date ₹ 13,30,000.

Cash Received from the contractee ₹ 12,00,000.

Retention money : 20% of the value of work certified.

Cost of work uncertified : ₹ 12,000.

Calculate the amount of Notional Profit.

5

3. A manufacturing company has received an order to supply 100 steel chairs.

The expenses are estimated as under :

Raw materials 1000 kg. @ ₹ 100 per kg.

Direct wages 1000 hrs. @ ₹ 50 per hour

Factory overheads ₹ 25 per labour hour

Selling and Distribution overheads are charged at 20% of works-cost.

Prepare a statement showing the price per chair to be fixed so as to earn a profit of 20% on cost.

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

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