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BACHELOR OF COMMERCE (B.COM)
EXAMINATION: DECEMBER 2023
FIFTH SEMESTER

Subject: Cost & Work Accounting-II (BCOM19-303C/ BCWA-502)

Date: 07/12/2023

Total marks: 60

Time: 10.00 am to 12.30 pm

Instructions: 1) All questions are compulsory. 2) Figures to the right indicate full marks.

Q.1. (A) Fill in the blanks (Any 5) (05)

1. The materials which can be easily identified & attributable to the individual units being manufactured are known as -----.
 - a) Indirect material
 - b) Expenses
 - c) Direct material
 - d) Closing stock
2. The method of costing applied in steel industries is ----- costing.
 - a) Process costing
 - b) Contract costing
 - c) Operating costing
 - d) Target costing
3. Overhead cost is the aggregate of Indirect material cost, indirect wages and -----.
 - a) Variable cost
 - b) Fixed cost
 - c) Indirect expenses
 - d) None of this
4. JOB costing is also known as _____ costing.
 - JOB order
 - ABC
 - Basic
 - None of these
5. Contract can be classified as _____ contract.
 - Cost – Less
 - Cost – Plus
 - Cost
 - None of these
6. Basis for apportionment of Rent is _____.
 - Light point
 - Floor area
 - Direct
 - Book value
7. Abnormal gain should be _____ to the Costing P&L A/C.
 - a) Debited
 - b) Credited
 - c) No effect
 - d) Balanced

(B) State whether the following statement are true or false (any 5) (05)

1. Operating costing is more suitable for manufacturing industries.

2. In case of most of the contracts entire payment is made in advance.
3. Allocation and apportionment are synonymous terms.
4. Variable overheads remain constant per unit.
5. Contract costing is a form of job costing.
6. Joint and by products are one and same.
7. There is no difference between process costing and operation costing.

Q.2. (A) Define Job costing. Explain features and procedure of job costing.

(20)

OR

(B) Super class Co. Ltd. has three production departments X,Y,Z and two service departments A and B. The following estimated figures for a certain period have been made available:

Particulars	Amount
Rent and rates	10,000
Lighting and electricity	1,200
Indirect wages	3,000
Power	3,000
Depreciation on machinery	20,000
Other expenses and sundries	20,000

Additional information:

Particulars	X	Y	Z	A	B
Flooring space (sq. mts.)	2,000	2,500	3,000	2,000	500
Light points (nos)	20	30	40	20	10
Direct wages	6,000	4,000	6,000	3,000	1,000
Horse power of machines	120	60	100	20	---
Cost of machinery	24,000	32,000	40,000	2,000	2,000

You are required to apportion the cost to various departments on the most equitable basis by preparing a primary distribution summary.

Q.3. (A) Materials X and Y are used as follows:

(10)

Minimum usage – 100 units each per week

Maximum usage – 300 units each per week

Normal usage – 200 units each per week

Ordering quantities X = 1200 units

Y = 2,000 units

Delivery period X = 4 – 6 weeks

Y = 2 – 4 weeks

Calculate for each material (i) maximum level (ii) Minimum level and (iii) Ordering level.

(B) Write short notes. (Any 2)

(05)

1. ABC analysis
2. Job costing
3. By products
4. Work certified and uncertified

Q.4. (A) From the following data, calculate cost per km of a running vehicle.

(15)

Particulars	Amount
Cost of vehicle	150000
Road license fees for year	6000
Annual insurance	1200
Annual garage rent	6000
Drivers wages per month	2000
Cost of petrol per lit.	30
Tyre and maintenance per km	2
Km per lit.	10 kms
Estimates total life	150000kms
Estimated annual running	6000 kms

OR

(B) What do you mean by cost of materials and explain in detail methods of Purchasing.
