

Total No. of Questions : 6]

SEAT No. :

P2154

[Total No. of Pages : 3

[5804]-201

F.Y. B.B.A.

**INTERNATIONAL BUSINESS**  
**201 : Basics of Cost Accounting**  
**(2019 Pattern) (CBCS) (Semester - II)**

*Time : 2½ Hours]*

*[Max. Marks : 70*

*Instructions to the candidates:*

- 1) *All questions are compulsory.*
- 2) *Use of calculator is allowed.*

**Q1) a) Fill in the blanks : [5]**

- i) Need for cost Accounting arises because of limitations of \_\_\_\_\_ accounting.
- ii) \_\_\_\_\_ is the price paid for something.
- iii) \_\_\_\_\_ is a statement which provides for the assembly of the detailed cost of a cost centre or a cost unit.
- iv) Carriage on purchases is the part of direct \_\_\_\_\_ cost.
- v) \_\_\_\_\_ means the allotment of whole items of cost to cost centre or cost units.

**b) Write True or False : [5]**

- i) A cost centre is a location, person or item of equipment, for which costs may be ascertained and used for the purposes of control.
- ii) All overheads are costs, but all costs may not be overheads.
- iii) Operating costing deals with costing of services.
- iv) Variable overheads vary with the volume of output.
- v) Allocation of cost is always direct.

**Q2) Explain the cost concepts, 'Cost,' 'Costing', 'Cost Accounting' and 'Cost Accountancy'. Also explain the objectives of cost Accounting. [15]**

OR

Define the term 'Element of Cost'. State the various elements of cost with suitable examples.

**P.T.O.**

Q3) Write short notes on any two :

[10]

- a) Cost centre
- b) Allocation of overheads
- c) Cost plus contract
- d) Difference between job costing and contract costing

Q4) The following information has been obtained from Srujan Ltd. Solapur for a quarter ending 31<sup>st</sup> March, 2019. [15]

	₹
Stock of Raw Materials on 01-01-2019	1,00,000
Stock of Raw Materials on 31-03-2019	74,000
Purchases of Raw Material	6,00,000
Travelling Expenses	5,000
Carriage Inward	10,000
Carriage outward	15,000
Depreciation on plant	18,000
Factory Rent	12,000
Office Rent	10,000
Bad debts	7,000
Productive wages	20,000
Traveller's salary and commission	4,000
Expenses regarding purchases of material	4,000
Gas, fuel and water	8,000
Manager's salaries (He devotes 2/3 of his time to factory)	9,000
Sales	10,48,000

Prepare a cost sheet showing :

- a) Cost of Material consumed
- b) Prime cost
- c) Works cost
- d) Cost of production
- e) Total cost
- f) Profit

**Q5)** The following information relates to Aditya Builders, Akola for the year ended 31-03-2019. **[10]**

	₹
Contract Price	6,00,000
Plant & Machinery as on 1-4-2018	30,000
Materials	1,70,600
Labour charges	1,48,750
Engineer's fees	6,330
Outstanding wages	5,380
Uncertified work	12,000
Overhead Expenses	8,240
Material Returned to stores	1,600
Material on hand at site	3,700
Plant & machinery on hand at site on 31-03-2019	22,000
Value of work certified	3,90,000
Cash Received	3,51,000

Prepare contract Account for the year ended on 31-3-2019 showing separately the amount of profit that may be taken to the credit of profit and loss Account.

**Q6)** A product of Infocia Ltd. Delhi passes through two distinct processes 'A' and 'B'. From the following information you are required to prepare process 'A' Account, Process 'B' Account, Abnormal loss A/c and Abnormal Gain A/c. **[10]**

Particulars	Process 'A' ₹	Process 'B' ₹
Materials (Introduced 20,000 Units in Process 'A')	30,000	3,000
Labour	10,000	12,000
Overheads	7,000	9,850
Normal loss	10%	4%
Scrap value of Normal loss	1/-per unit	2/-per unit
Output	17,500 units	17,000 units

There is no stock or work in progress in any processes.

