Total No. of Questions : 4]

SEAT No. :

PE-1114

[Total No. of Pages : 3

[6525]-610
T.Y. B.Com.
365-e : COST AND WORKS ACCOUNTING - II
(2019 Pattern) (Semester - VI)

Time : 2½ Hours] *[Max. Marks : 50*

Instructions to the candidates:

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

Q1) A) Fill in the blanks (Any 5 out of 6) **[5]**

i) Retention money serves as a _____ with the contractee.

a) Tool b) security

c) purpose d) clause

ii) An escalation clause usually refers to change in prices of _____

a) inputs b) material

c) labour d) taxes

iii) In process industries there is a flow of _____ from one operation to the next operation

a) Logic b) purpose

c) continuity d) materials

iv) A _____ contains all relevant information regarding production and other details of the job

a) List b) sheet

c) production order d) card

v) Under job costing each job is separately _____

a) identifiable b) unknown

c) logical d) variable

vi) In contract costing the total loss if any is transferred to _____.

a) Trading Account b) Balance sheet

c) Costing profit and loss d) Drawings

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B) Match the following : **[5]**

i)	Service Costing	Terminal costing
ii)	Running charges	Operating costing
iii)	Costs at processes	over and above the normal loss
iv)	Contract costing	easily controllable
v)	Abnormal loss	variable operating expenses

Q2) Short Notes (Any Two out of Four) **[10]**

a) Escalation clause in Contract Costing

b) Importance of Service Costing

c) Need of Job Costing

d) Abnormal Loss

Q3) X Ltd undertook a contract for construction of bridge. The contract price is Rs. 600000. The following is the information relating to the contract during the year 2022-2023

Particular	Amt
Materials Purchased and issued	70698
Materials sent to site	100000
Materials returned to stores	1098
Materials at site on 31/03/2023	3766
Labour engaged on site	140000
Wages accrued and due but not paid	8750
Engineers fees	6334
Direct expense payable	580
General overheads	8252
Overheads outstanding	9250
Plant installed at site cost	41500
Erection charges on site for Plant	1250
Scrap value of plant after 5 years	2750
Work certified	390000
Cost of work not certified	9000
Cash received from contractee	360000

Prepare Contract account and contractee's account. Also show the amount of profit which you consider might be fairly taken on the contract and how have you calculated the same **[15]**

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Q4) A product passes through three processes A,B & C. During a monthly period 1000 units are produced with which the following information is available.**[15]**

Particulars	A	B	C
Direct material	2000	1000	1000
Direct labour	1500	700	800
Direct expense	300	100	100

Indirect expenses amounted to Rs.4500 and they are to be apportioned to the process on the basis of Direct Material. Prepare process account showing the total cost per unit at each process.

OR

From the following data calculate the cost per running mile of River Lines Transport Co.

Particulars	
Mileage run (annual)	15000 miles
Cost of vehicle	Rs.250000
Road License (annual)	Rs.7500
Annual Insurance	Rs.7000
Annual Garage Rent	Rs.7250
Supervision and Salaries (annual)	Rs.24000
Drivers wages per hour	Rs.30
Cost of fuel per liter	Rs.20
Miles run per liter	20 miles
Repairs and Maintenance per mile	Rs. 1.65
Tyre Allocation Per mile	Rs.0.80
Estimated life of vehicle	100000 miles

Charge interest at 15% on the cost of vehicle. The vehicle runs 20 miles per hour on an average.

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