

**STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 600 086.**  
**(For candidates admitted during the academic year 2015-2016 and thereafter)**

**SUBJECT CODE : 15CM/MC/CT25**

**B.Com./B.Com (CS) DEGREE EXAMINATION APRIL 2017**  
**COMMERCE**  
**CORPORATE SECRETARYSHIP**  
**SECOND SEMESTER**

**COURSE : MAJOR – CORE**  
**PAPER : COST ACCOUNTING**  
**TIME : 3 HOURS**

**MAX. MARKS: 100**

**SECTION – A**

**ANSWER ALL QUESTIONS:**

**(10 x 2 = 20)**

1. What is cost unit?
2. What is a Bin Card?
3. Define idle time.
4. Mention the classification of overheads cost.
5. What is inter-process profit?
6. Calculate the works cost:

	Rs
Direct material used	3,400
Factory expenses	700
Office expenses	300
Selling expenses	900

7. Calculate EOQ:  
Annual requirements 10,800 kgs  
Cost of purchasing and receiving one order Rs.1,000  
Annual carrying cost Rs.20 per unit.
8. Calculate differential piece rates under Taylors scheme, if differentials are 80% and 120%.  
Normal piece rate Rs.15 per unit  
Actual performance: a) 90 % of standard  
b) 110 % of standard
9. The production department of a factory has furnished the following details:  
Direct wages : Rs.1,50,000  
Production overheads : Rs.75,000  
Calculate the overhead recovery rate based on direct labour.
10. Find out the passenger kilometers covered by a fleet of 4 taxis run by M/S Soundar travels from Uthiramerur to Tambaram (45 kms) and back 4 trips each day with 5 passengers on an average on each vehicle for the month of Jan,2017.

## SECTION – B

## ANSWER ANY FIVE QUESTIONS:

(5 x 8 = 40)

11. Differentiate between Cost Accounting and Financial Accounting.  
 12. What is labour turnover and what are the causes of labour turnover?  
 13. A factory produces 100 units of a commodity. The cost of production is :

Materials	Rs.10,000
Wages	Rs. 5,000
Direct expenses	Rs. 1,000
Factory overheads	125% on wages
Office overheads	20 % on works cost
Profit	25 % on sales

Calculate the price to be fixed per unit

14. From the following information, find out Maximum, Minimum and Average stock levels:

Normal consumption per day	500 kgs
Minimum consumption per day	200 kgs
Maximum consumption per day	800 kgs
Lead time	10 to 16 days
Reorder quantity	3,000 kgs

15. MKN Ltd., gives the following information:

No. of employees as on 01.04.2015	200
No. of employees as on 31.03.2016	240
No. of employees resigned	20
No. of employees Discharged	5
No. of employees Replaced	18

Calculate labour turnover by applying three methods.

16. Calculate machine hour rate from the following:

Cost of machine	Rs. 19,200
Estimated scrap value	Rs. 1,200
Repair charges per month	Rs. 150
Standing charges allocation to this machine per month	Rs. 50
Effective working life of the machine	10,000 Hours
Running time per month	166 Hours
Power used by the machine	5 units per hour at Rs.0.19 per unit

17. From the following data calculate the cost per km. of a vehicle :

Estimated life	1,50,000 kms.
Estimated annual kms	10,000 kms.
Value of vehicle	Rs.50000.
Road licence p.a.	Rs. 1500
Insurance charges p.a.	Rs.1000.
Garage rent p.a.	Rs.12000.
Drivers salary p.m.	Rs.5000.
Cost of petrol per liter	Rs.45.
Kilometer per liter	15
Tyres & maintenance per kilometer	Rs. 1.00.

## SECTION – C

## ANSWER ANY TWO QUESTIONS:

(2 x 20 = 40)

18. X Company has purchased and issued materials as under:

June 2015		
1	Stock of materials	200 units @Rs.2.50 per unit
3	Purchased	300 units @Rs.3.00 per unit
7	Purchased	500 units @Rs.4.00 per unit
10	Issued	600 units
12	Purchased	400 units @Rs.4.00 per unit
18	Issued	500 units
24	Purchased	400 units @Rs.5.00 per unit
28	Issued	200 units

Prepare the stores ledger under FIFO and LIFO methods.

19. Calculate the earnings of a worker under the following methods:

- Time rate method
- Piece rate method
- Halsey plan
- Rowan plan

Information given :

Standard time : 30 Hours

Time taken : 20 Hours

Hourly rate of wages Rs.1.00 per hour plus a dearness allowance of Rs.0.50 per hour worked

20. Hari Ltd has three production departments P,Q and R and two service departments X and Y. The following information pertain to them.

	P	Q	R	X	Y
Direct wages (Rs)	3,000	2,000	3,000	1,500	195
Worked hours	3,070	4,475	2,419	----	----
Value of machines (Rs)	60,000	80,000	1,00,000	5,000	5,000
HP of Machines (kwh)	60	30	50	10	---
Light points	10	15	20	10	5
Floor space (sq.ft)	2,000	2,500	3,000	2,000	500

The following figures were extracted:

	Rs.
Rent	5,000
Lighting	600
Power	1,500
Indirect wages	1,939
Depreciation on machine	10,000
Sundries	9,695

Find overhead recovery rate per hour for production departments if X 's expenses are distributed to P,Q and R in the ratio of 2:3:4 and Y's expenses are distributed to P,Q and R in the ratio of 4:2:3 .

21. A product passes through three processes viz., Process I,II and III. 15,000 units of crude material were introduced in process I @Re.1 per unit.

The other information is:

	Process I	Process II	Process III
Material consumed (Rs.)	3,000	4,500	1,500
Direct Labour (Rs)	15,000	24,000	19,500
Normal loss (%)	3	6	10
Manufacturing expenses(Rs)	3,600	3,705	5,618
Output in units	14,250	13,650	12,012
Value of normal loss per unit (Rs)	0.50	1.00	2.00

Prepare Process cost accounts and Normal loss,Abnormal loss and Abnormal gain accounts.

\*\*\*\*\*