

**C. ABDUL HAKEEM COLLEGE (AUTONOMOUS),
MELVISHARAM - 632 509.
SEMESTER EXAMINATIONS, NOVEMBER - 2018**

**B.Com., CORPORATE SECRETARYSHIP SEMESTER V
U15MKS501 / U14MKS501 – COST ACCOUNTING**

Time: Three Hours Maximum: 75 Marks

SECTION - A (10 X 2 = 20 Marks)

Answer **ALL** Questions.

1. Define cost Accounting.
2. What is cost centre?
3. State any two advantages of FIFO method.
4. What is ABC Technique?
5. Give any two objectives of Time-Keeping department.
6. What is meant by idle time?
7. What is machine hour rate?
8. Define Operating Costing.
9. Give any two objectives of Job Costing.
10. What is process costing?

SECTION - B (5 X 5 = 25 Marks)

Answer **ALL** Questions.

11. a) Describe the objectives of cost accounting.
(Or)

- b) During the year 2008 X Ltd produced 50,000 units of a product. The following were the expenses.:

| | Rs. |
|--------------------------------------|----------|
| Stock of raw materials on 1.1.2008 | 10,000 |
| Stock of raw materials on 31.12.2008 | 20,000 |
| Purchases | 1,60,000 |
| Direct wages | 75,000 |
| Direct expenses | 25,000 |
| Factory Expenses | 37,500 |
| Office expenses | 62,500 |
| Selling expenses | 25,000 |

You are required to prepare a cost sheet showing cost per unit and total cost at each stage.

12. a) How do you classify materials into categories A, B & C?

(Or)

- b) State the methods of pricing material issues.

13. a) Explain the types of Idle Time.

(Or)

- b) A worker is paid at 25 paise per hour for completing a work within 8 hours. If he completes the work within 6 hours, calculate his wages under Halsey plan when the rate of premium is 50%. Also ascertain the effective hourly rate of earning by the worker.

14. Explain the merits and demerits of machine hour rate.

(Or)

b) Calculate the direct material percentage rate for overhead absorption from the following.

Factory overhead budgeted for 2010: Rs.3,00,000

Cost of direct material estimated to be consumed during 2010: Rs.5,00,000.

15. a) A product passes through three process 'X' 'Y' and 'Z' to its completion. During September 2006, 5,000 units of finished product were produced and the following expenses were incurred

| | Process X | Process Y | Process Z |
|-----------------|-----------|-----------|-----------|
| Materials | 5,000 | 10,000 | 5,000 |
| Direct wages | 25,000 | 20,000 | 15,000 |
| Direct Expenses | 2,500 | 3,000 | 5,000 |

Indirect expenses amounted to Rs.30,000 which are to be apportioned to the processes on the basis of direct wages. Raw materials worth Rs.30,000 were issued to process 'X'. Ignore the question of process stocks and prepare the process accounts, showing cost per unit in each process.

(Or)

b) Describe the limitations of Job Costing.

SECTION - C (3 X10 = 30 Marks)

Answer **ANY THREE** Questions.

16. Enumerate the advantages of cost accounting.

17. From the particulars given below write up the stores ledger card.

| | |
|---------|---|
| 2017 | |
| January | 1 Opening stock 1000 units at Rs.26 each. |
| | 5 Purchased 500 units at Rs.24.50 each. |
| | 7 Issued 750 units. |

- 10 Purchased 1500 units at Rs.24 each.
 12 Issued 1100 units.
 15 Purchased 1000 units at Rs.25 each.
 17 Issued 500 units.
 18 Issued 300 units.
 25 Purchased 1500 units at Rs.26 each.
 29 Issued 1500 units.
- Adopt the FIFO method of issue and ascertain the value of the closing stock.

18. Standard time 10 hours. Number of units to be completed 5. Hourly rate is Re.0.25. Time taken 8 hours. Calculate the total earnings of a worker under Rowan plan. Also determine the effective rate of earnings per hour.
19. Distinction between allocation and apportionment.
20. Laxmi Travels, a transport company is running a fleet of six buses between two towns 75 kms apart. The seating capacity of each bus is 40 passengers. The following particulars are available for the month of April, 2007.

| | Rs. |
|--|--------|
| Wages of Drivers, Conductors etc. | 3,600 |
| Salaries of office and supervisory staff | 1,500 |
| Diesel, Oil etc | 10,320 |
| Repairs and maintenance | 1,200 |
| Taxes and insurance | 2,400 |
| Depreciation | 3,900 |
| Interest and other charges | 3,000 |

The actual passengers carried were 80% of the capacity. All the buses run all the days in the month. Each bus made one round trip per day. Find out the cost per passenger kilometre.
