

NGM COLLEGE (AUTONOMOUS) POLLACHI

END-OF-SEMESTER EXAMINATIONS: DECEMBER-2022

B.Com-Business Process Services

MAXIMUM MARKS: 70

V SEMESTER

TIME: 3 HOURS

PART III

COST ACCOUNTING

SECTION – A

(10 X1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS

MULTIPLE CHOICE QUESTIONS

(K1)

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES

(K2)

6. Define cost accounting.
7. What is EOQ?
8. Explain the meaning of Labour Turnover?
9. Extend the meaning of process costing?
10. What do you understand by transport costing?

SECTION – B

(5 X 4 = 20 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)

11. a) Assess the objectives of cost accounting.

(OR)

b) Calculate Prime Cost, Factory Cost, Cost of Production, Cost of Sales and Profit from the following details:

	Rs.
Direct materials	1,50,000
Direct labour	70,000
Direct expenses	5,000
Factory expenses	15,000
Administrative expenses	10,000
Selling expenses	3500
Sales	2,75,000

12. a) Calculate minimum stock level, maximum stock level and re-ordering level from the following details:

Minimum consumption	100 units per day
Maximum consumption	150 units per day
Nominal consumption	120 units per day
Re-order period	10 - 15 days
Re-order quantity	1,500 units
Normal re-order period	12 days

(OR)

b) Examine the importance of VED analysis

13. a) From the following particulars, calculate wages earned by workers X, Y and Z respectively under the Taylor's system:

Standard time allowed - 10 units per hour

Normal wage rate - 10 per hour

Differential rate to be applied:

90% of piece rate when below standard

125% of piece rate when at or above the standard

The production on a day of 8 hours:

X - 75 units; Y - 85 units; Z - 120 units.

(OR)

b) Given the following data calculate wages payable under Merrick's multiple piece rate system.

Standard production - 1,200 units

Actual production of workers - P - 900 units

Q - 1,000 units

R - 1,300 units

Rate per piece 0.10 per unit.

14. a) Mention the features at process costing.

(OR)

b) Calculate the cost of each process and total cost of production from the data given below

	Process 1 Rs.	Process 2 Rs.	Process 3 Rs.
Material	2250	750	300
Wages	1200	3000	900
Direct expenses	500	500	500
Works overhead	1890	2580	1875

Other indirect expenses of Rs.1,275 should be apportioned on the basis of wages.

15. a) The following information is extracted from the Job Ledger in respect of Job No.304
Materials Rs.34, 000.
Wages 80 hours at Rs.25 per hour.
Variable overhead incurred for all jobs Rs.50, 000 for 4,000 labour hours.
Find the profit if the job is billed for 42,000.

(OR)

b) The work cost of certain article is Rs.400 and the selling price is Rs. 900. The following direct selling and distribution expenses were incurred:

SECTION – C

(4 X 10 = 40 MARKS)

ANSWER ANY FOUR OUT OF SIX QUESTIONS.

(16TH QUESTION IS COMPULSORY AND ANSWER ANY THREE QUESTIONS FROM Q.NO: 17 TO 21)

(K4) OR (K5)

16. The following data, relating to a factory for the year 2019 are available:

Materials consumed	Rs.2,00,000
Direct wages	Rs.1,50,000
Factory expenses	Rs.90,000
Administrative expenses	Rs. 88,000

Based on the above data, find out the cost of a job to be done in January 2020.

Materials required	Rs.20,000
Wages for the job	Rs.15,000

What price will be quoted for the job, if a profit at 20% on selling price is required?

17. Discuss the various criticisms leveled against cost accounting.

The following transactions took place in respect of material X.			
Date	Receipts	Rate	Issue
2.03.2010	200	2.00	-
10.03.2010	300	2.40	-
15.03.2010	-	-	250
18.03.2010	250	2.60	-
20.03.2010	-	-	200

Prepare a priced ledger sheet pricing the issues at:

(a) Simple average rate; and
 (b) Weighted average rate.

(CONTD.....4)

19. A company has four departments. The following are the expenses for a period of 3 months:

particulars	Rs.
Rent	1,000
Repairs	600
Depreciation	450
Light	100
Supervision	1,500
Insurance of plant	500
Employees insurance	150
Power	900

particulars	A	B	C	D
Area (sq.ft)	75	55	45	25
Total wages in Rs.	4,000	3,000	2,000	1,000
No. of workers	12	8	6	4
Value of plant in Rs.	12,000	9,000	6,000	3,000

Write a statement showing the apportionment of cost to various departments.

20. From the following information, prepare a process account, abnormal loss a/c and normal loss a/c.

Input of raw material – 950 units @ Rs. 20 per unit

Direct materials Rs. 3,960

Direct wages Rs. 6000

Production overheads Rs.6000

Actual output t/f to process II Rs. 840 units

Normal loss 10%

Value of scrap per unit Rs.8

21. From the following data, calculate the cost per mile of a bus.

Value of vehicle Rs. 2,00,000

Garage rent per year Rs.2400

Insurance charges per year Rs.800

Road tax per year Rs. 1,000

Drivers wages per month Rs.1200 :Cost of diesel per liter Re. 20

Type of maintenance per mile 4.00 : Estimated life 1,50,000 miles

Miles run per liter of diesel 10 miles : Estimated annual mileage 6,000 miles.