END OF SEMESTER EXAMINATIONS, APRIL / MAY – 2017
COST ACCOUNTING
SUBJECT CODE : 12UACO15

MAJOR : B.Com / B.Com.CA   SEMESTER   : V
TIME   : 3 HOURS   MAX. MARKS: 75

SECTION – A (10 X 1 = 10)

Answer All the Questions:

1. Define cost.
2. What is VED analysis?
3. What do you mean by differential piece rate?
4. What type of analysis is always better control?
5. Write a note on EOQ.
6. What is meant by "Absorption of overhead"?
7. What do you mean by "Machine Hour Rate"?
8. How to measure the cost unit in passenger Transport Service is?
9. What is Process Costing?
10. Cost of Abnormal Loss is shown in which account.

SECTION – B (5 X 4 = 20)

Answer Any FIVE Questions:

11. Write the methods of Costing.

12. M/s Indu Ltd., are the manufactures of moon torches. The following data relate to manufacture of torches during the month of March 2001.

Raw material consumed	Rs. 20,000
Direct wages	Rs. 12,000
Machine hours worked	9,500 hours
Machine hour rate	Rs. 2
Office overheads	20% of work cost
Selling overheads	50 paise per unit
Units produced	20,000 units
Units sold	18,000 units

Prepare a cost sheet showing the cost and the profit per unit and the total profit earned.

13. From the following data given by the personnel department, calculate the labour turnover rate by applying:
    a. Separation method
    b. Replacement method
    c. Flux method
    No of workers on the payroll:
       At the beginning of the month   900
       At the end of the month   1100
    During the month 10 workers left : 40 workers were discharged and 150 workers are recruited during the year : of these 25 workers are recruited to fill up vacancies and the rest are engaged on account of an expansion scheme.

14. From the following data calculate the total wages of a worker under
    a. Halsey Premium plan
       Hourly rate   : Rs. 3
       Standard time: 16 hours
       Time taken   : 12 hours
    b. Under Halsey – weir premium plan
       Time allowed : 48 hours
       Time taken   : 40 hours
       Rate per hour : Rs.3

15. Write the methods of Absorption of overheads.

16. What are the characteristics of Contract costing?

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17. How much profit any, you would allow to be considered in the following case:

Contract cost	11,20,000
Contract value	20,00,000
Cash received	10,80,000
Uncertified work	1,20,000

Deduction from bills by way of security deposit is 10%.

18. Larans & Co., produces a product through two process 'R' and 'S'. The following details pertaining to process 'R' for January 2007 are available.

Inputs:	Rs.
Material (500 units)	10,000
Labour	8,000
Indirect expenses	7,000

Normal loss in the process is estimated at 5% of the input which possesses a scrape value of Rs. 31 per unit. Prepare the process Account.

SECTION – C (3 X 15 = 45)

Answer Any THREE Questions:

19. Define cost. What are the advantages of costing?

20. Draw a stores ledger card recording the following transactions under LIFO METHOD

2016 July 1 opening stock 2000 unit at Rs. 10 each
5 Received 1000 units at Rs. 11 each
6 Issued 500 units
10 Received 5000 units at Rs. 12 each
12 Received back 50 units out of the issues made on 6th July
14 Issued 600 units
18 Returned to Supplier 100 units out of goods received on 5th July.
19 Received back 100 units of the issue made on 14th July
20 Issued 150 units
25 Received 500 units at Rs. 14 each
28 Issued 300 units

The stock verification report reveals that there was a shortage of 10 units on 18th July and another shortage of 15 units on 26th July.

21. What is meant by overhead? What are its classifications?

22. A Truck starts from city 'A' with load of 8 tons. It unloads 2 tons in town 'B' and the balance 6 tons in town 'C' in the return journey it carries 4 tons from town 'C' to the city directly.

a) Calculate the
1. Absolute ton kms
2. Commercial ton kms
Distance were as follows:
City to town B 50 kms
Town B to town C 40 kms
Town C to city direct 70 kms
b) Ascertain the cost per commercial ton km, if total cost pre trip is Rs. 2,880 (round trip)
c) If targeted profit is 25% on the freightage, compute the charge per commercial ton km.

23. Sujen industries produces a product with passes through two processes I and II and then to finished stock. It is ascertained that in each process 5% of the total weight put in lost and 10% is scrap which realizes Rs. 5 per ton and Rs. 15 per ton respectively in process I & II the following details are available.

	Process – I	Process – II
Materials consumed in tons	2000	140
Cost of materials per ton Rs.	200	300
Wages Rs.	20,000	15,000
Manufacturing expenses Rs.	6,000	5,000

Prepare process accounts showing the cost of the output of each process and cost per ton.

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