

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)
Chromepet, Chennai - 600 044.

B.Com.ISM - END SEMESTER EXAMINATIONS - APRIL 2025
SEMESTER - II

23UBICT2003 - Cost Accounting

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

Answer any **SIX** questions (6 × 5 = 30 Marks)

1. Write a note on Cost centre and profit centre.
2. From the following figures, Calculate economic order quantity and number of orders to be placed in each year.

Annual consumption	4,000 units
Cost of buying per order	Rs.5
Cost per unit	Rs.2 per unit
Storage and carrying cost	Rs.8% on average inventory

3. From the following particulars, Calculate labour turnover.
Total no of employees at the beginning of the month - 2,010
No. of employees recruited during the month - 30
No. of employees left during the month - 50
Total no. of employees at the end of the month - 1,990
4. Calculate machine hour rate.
Electric power Rs.0.85 p per hour
Steam Rs.0.10 p per hour
Water Rs.0.05 p per hour
Repairs Rs.550 p.a
Rent Rs.270 p.a
Running hours 2,000
Original cost of machine is Rs.12,000.
Book value Rs.2,870.
Present replacement value is Rs.11,500.
Depreciation being 10% p.a
5. Prepare a cost sheet with the following details

Direct materials	Rs.50,000
Direct wages	Rs.15,000
Factory expenses	Rs.5,000
Office expenses	Rs.1,000
Selling expenses	Rs.500

Contd...

6. From the following in respect of Material A Calculate the followings:

(a) Reorder level (b) Minimum stock level

(c) Maximum stock level

Normal usage	500 units
Re- Order quantity	4,000 units
Re- Order period	4 to 6 weeks
Maximum usage	750 units per week
Minimum usage	250 units per week

7. Calculate wages under Halsey system.

Time allowed	16 hours
Time taken	10 hours
Time rate	Rs.2 per hour

8. Write a note on Machine Hour Rate.

Section C

Answer any **THREE** questions ($3 \times 10 = 30$ Marks)

9. Distinguish between Financial Accounting and Cost Accounting.

10. 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 are 125% on wages; office overheads are 20% on work cost.

Expected profit is 25% on sales

Calculate the price to be fixed per unit.

11. Prepare stores ledger account using First in First out Method.

2010

Oct 1st Opening balance 100 units @Rs.50 each

Oct 2nd Received 500 units @Rs.60 each

Oct 20th Issued 300 units

Nov 5th Issued 200 units

Nov 6th Received 500 units @ Rs.50 each

Dec 10th Issued 300 units

Dec 12th Issued 250 units

12. A company employs workers on time wages cum piece wages basis. Workers get payment as per the method, which is more beneficial for them.

During a week of 44 hours, production was as under;

A 110 units

B 130 units

Time rate Rs.4 per hour

Piece rate Rs.1.50 per unit

Calculate the earnings of each worker.

Contd...

13. The following particulars relate to a manufacturing company, which has three department A,B,C and two service departments X and Y.

Particulars	Departments				
Total departmental overhead	A	B	C	X	Y
as per primary distribution summary	6,300	7,400	2,800	4,500	2,000

The company decided to charge the service department cost on the basis of the following percentages.

Particulars	Production dept			Services dept	
	A	B	C	X	Y
X	40%	30%	20%	-	10%
Y	30%	30%	20%	20%	-

Find the total overheads of production departments on the Repeated Distribution Method.
