

B. A., B. Sc., B. COM. DEGREE END SEMESTER EXAMINATION - APRIL 2025**UGP (HONS.) SEMESTER 2 : DISCIPLINE SPECIFIC COURSE****COURSE : 24UCOMDSC106 : FUNDAMENTALS OF COST ACCOUNTING***(For Regular 2024 Admission)*

Duration : 1.5 Hours

Max. Marks: 50

PART A**Answer any 10 questions (1 mark each)**

1. What is Halsey Premium Plan? (U)
2. What is stores ledger account? (U)
3. What is scrap? (U)
4. Distinguish between Cost centre and Cost unit. (U)
5. What is administration overhead? give two examples (U)
6. How will you apportion the following expenses among various departments? a) Audit fees b) Creche expenses (U)
7. What is Sunk cost? (U)
8. What is purchase order? (U)
9. Distinguish between Period cost and Product cost. (U)
10. Explain the Taylor's differential piece rate system of wage payment. (U)
11. What is overhead distribution summary? (U)
12. What is prime cost? (U)

(1 x 10 = 10)**PART B****Answer any 5 questions (2 marks each)**

13. What is inventory control? State its objectives. (U)
14. Explain the various techniques of costing. (An)
15. Distinguish between bin card and stores ledger. (An)
16. What is works cost? How is it calculated? (E)
17. Compare and contrast time and piece rate systems of wage payment. Describe the merits and demerits of each. (An)
18. Distinguish between direct and indirect labour. (An)
19. Indicate the basis of apportionment for the overhead expenses mentioned below:
(1) Rent & rates and taxes (2) Employees' State, insurance contribution (3) Power
(4) Repairs and maintenance (5) Employer's contribution to provident fund (6)
Supervision (7) Factory cleaning (8) Insurance of building (9) General expenses (10)
Creche expenses. (A)

(2 x 5 = 10)**PART C****Answer any 4 questions (5 marks each)**

20. Explain the advantages and disadvantages of centralized purchasing. (An)
21. The standard time allowed for the job is 30 hours. The hourly rate of guaranteed wages is Rs 1.50. Because of the savings in time, a worker X gets an hourly wage of Rs 1.80 under Rowan Premium Bonus System. For the same saving in time, calculate the hourly rate of wages a worker Y will get under Halsey Premium Bonus System. (A)
22. A machine purchased for cash at Rs. 9,200. Its working life is estimated to be 18,000 hours after which its scrap value is estimated at Rs. 200. It is assumed from past experience that:
 - 1) The machine will work for 1,800 hours annually

- 2) The repair charges will be Rs. 1,080 during the whole period of life of the machine
- 3) The power consumption will be 5 units per hour at 60 paise per unit
- 4) Other annual standing charges are estimated to be:

	Rs.
Rent of dept. (machine 1/5 th)	780
Light (12 points in the dept. – 2 point engaged in the machine)	288
Foreman's salary (1/4 th of this time is occupied in the machine)	6,000
Insurance premium (fire) for machinery	36
Cotton waste	60

(A)

Find out the machine hour rate on the basis of above data for allocation of the work expenses to all jobs for which the machine is used

23. Differentiate cost accounting and financial accounting (An)
24. What is cost sheet? What are its various components? (U)
25. Calculate the minimum stock level, maximum stock level, re-ordering level and average stock level from the following information:
 Minimum consumption = 100 units per day
 Maximum consumption = 150 units per day
 Normal consumption = 120 units per day
 Re-order period = 10-15 days
 Re-order quantity = 1,500 units
 Normal re-order period = 12 days

(A)

(5 x 4 = 20)

PART D

Answer any 1 questions (10 marks each)

26. Prepare a cost sheet from the following information regarding production of 10000 units
 Direct materials Rs. 55,000
 Direct labour Rs. 25,000
 Direct expenses Rs. 10,000
 Factory overheads 60% of direct labour
 Administration overheads 20% of works cost
 Selling and distribution overhead 10% of works cost
 Profit 20% of cost of goods sold (A)
27. A manufacturing plant has three production departments A, B and C and one service department T. Various production overheads for the month of May 2005 are given below:

	Rs.
Supervision	17,000
Power	40,000
Depreciation	57,000
Factory lighting	20,000
Factory rent	50,000
Repairs and maintenance	38,000
Indirect material:	
Dept. A	2,000
Dept. B	1,800
Dept. C	2,200
Dept. D	400
	2, 28,400

(A)

Other information is as follows:

	Production dept.			Service dept.
	A	B	C	T
No. of workers	20	25	30	10
Floor area (sq. ft.)	8	12	16	4
Value of machine (Rs. '000)	60	80	40	10
Horse power of machines	200	200	100	-

You are required to allocate and apportion overheads to various departments by preparing Primary Overhead Distribution Summary.

(1 x 10 = 10)

OBE: Questions to Course Outcome Mapping

CO	Course Outcome Description	CL	Questions	Total Wt.
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Cognitive Level (CL): Cr - CREATE; E - EVALUATE; An - ANALYZE; A - APPLY; U - UNDERSTAND; R - REMEMBER;