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**HRDHRC 386**

**Choice Based Credit System VI Semester B.A. (HRD) Degree  
Examination, September 2022  
(2021-22 Batch Onwards)  
COST ACCOUNTING**

Time : 3 Hours

Max. Marks : 120

**Instruction :** Provide working notes *wherever* necessary.

## SECTION – A

Answer the following :

**(3×20=60)**

1. Explain the classification of cost.

OR

Describe the material purchasing procedure.

2. Explain the various methods of time booking.

OR

Calculate the total earnings of three workers under :

- a) Time rate system
- b) Taylor's piece rate method
- c) Rowan premium plan
- d) Halsey premium plan.

**Particulars****Workers**

|                                    | <b>X</b> | <b>Y</b> | <b>Z</b> |
|------------------------------------|----------|----------|----------|
| Time allowed (Hours per 100 units) | 35       | 40       | 44       |
| Wage rate per unit (Rs.)           | 2        | 3        | 4        |
| Hourly rate (Rs.)                  | 7        | 8        | 10       |
| Actual time taken (hours)          | 50       | 48       | 46       |
| Actual units produced              | 200      | 150      | 125      |

P.T.O.



3. Explain the various methods of costing.

OR

The following particulars have been extracted from books of manufacturing company for the year ended 31-12-2021

| Stock                          | 1-1-2021 | 31-12-2021 |
|--------------------------------|----------|------------|
|                                | Rs.      | Rs.        |
| Raw material                   | 40,000   | 50,000     |
| WIP                            | 15,000   | 10,000     |
| Finished goods                 | 8,000    | 14,000     |
|                                |          | Rs.        |
| Purchase                       |          | 2,08,000   |
| Drawing office salary          |          | 9,600      |
| Direct wage                    |          | 1,40,000   |
| Salary                         |          | 14,000     |
| Carriage inward                |          | 8,200      |
| Carriage outward               |          | 5,100      |
| Cash discount allowed          |          | 3,400      |
| Bad debts                      |          | 4,700      |
| Repairs of plant and machinery |          | 10,600     |
| Rent : Office                  |          | 1,000      |
| Factory                        |          | 3,000      |
| Travelling expenses            |          | 3,100      |
| Traveller's salary             |          | 8,400      |
| Depreciation on furniture      |          | 600        |
| Directors fees                 |          | 6,000      |
| General charges                |          | 5,000      |
| Sales                          |          | 5,00,000   |

Prepare cost sheet showing total cost and profit.



SECTION – B

Answer **any six** :

(6×6=36)

4. Explain the different stock levels.
5. Explain the benefits of cost accounting to management.
6. Write a note on labour turnover.
7. Explain the methods of time keeping.
8. Explain the methods of apportioning service department expenses.
9. Explain elements of cost.
10. Explain the methods of pricing material.
11. Calculate prime cost from the following :

|                               | <b>Rs.</b> |
|-------------------------------|------------|
| Opening stock of Raw material | 40,000     |
| Closing stock of Raw material | 30,000     |
| Raw materials purchased       | 80,000     |
| Carriage inward               | 6,000      |
| Wages paid to labourers       | 40,000     |
| Directly chargeable expenses  | 5,000      |

SECTION – C

Answer **any four** :

(4×3=12)

12. What are the types of idle time ?
13. Write a note on EOQ.
14. State the functions of cost accounting.
15. Distinguish between time keeping and time booking.
16. What are the types of labour cost ?
17. Mr. Anand has completed 40 units during a day. The rate per unit is Rs. 4. Calculate Mr. Anand's earning under piece rate system



SECTION – D

Answer the following :

(12×1=12)

18. What is overhead ?
  19. State the objectives of cost accounting.
  20. What is payroll ?
  21. What is abnormal loss ?
  22. What is overtime ?
  23. State the principles of sound remuneration.
  24. What is employee cost reporting ?
  25. What is opportunity cost ?
  26. What is danger level of stock ?
  27. What is variable cost ?
  28. What is job costing ?
  29. What is LIFO ?
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