

TED (15)- 2253
(REVISION-2015)

Reg. No.
Signature

FIRST SEMESTER DIPLOMA EXAMINATION IN CABM-

COST ACCOUNTING

[Time : 3 hours]

(Maximum marks : 100)

PART - A

(Maximum marks : 10)

Marks

I Answer the following questions in one or two sentences. Each question carries 2 marks.

1. Define indirect cost.
2. What is differential cost?
3. Define process costing.
4. Define PVR.
5. What is inter- process or internal process .

(5x2=10)

PART - B

(Maximum marks : 30)

II Answer *any five* of the following questions. Each question carries 6 marks.

1. Explain the advantages of cost accounting.
2. What are the purposes of cost sheet?
3. Explain abnormal loss.
4. From the following information, calculate contribution both in Rs and units; and also

BEP (In units)

Selling price / unit	– Rs. 20
Variable cost / unit	– Rs.15
Units sold	– Rs.1,000
Variable cost	– Rs. 3,000
Fixed cost for the year	- Rs. 60,000

5. Explain the features of batch costing.
6. The following relate to a business for a particular period.
 Sales -20000 units at Rs.50 each
 Variable cost -30 per unit
 Fixed cost -140000
 Calculate sales to earn the same amount of profit that the business had been earning earlier after reducing the selling price by 10%
7. Explain briefly the assumption of break- even -analysis . (5x6=30)

PART - C

(Maximum marks : 60)

(Answer one full question from each unit. Each full question carries 15 marks.)

UNIT - I

- III State the difference between cost accounting and financial accounting 15

OR

- IV Explain the components of Cost Sheet 15

UNIT - II

- V From the following, prepare cost sheet.

Direct material	-18000
Direct labour paid	-12000
Direct Expenses	-4000
Factory Overheads	-6000
Administrative Overheads	-4500
Selling & Distribution overheads	-2500

1000 units are produced during the period and all the units produced are sold. The units produced are sold at Rs55 per unit. 15

OR

- VI a) Explain classification of cost according to function 8
- b) Explain briefly cost centre & cost unit 7

UNIT-III

VII a) Explain joint products and by products 7

b) From the following, prepare various process accounts

	Total	P1	P2	P3
Direct Material	5000	4000	600	400
Direct Labour	4000	1500	1600	900
Direct Expense	800	500	300	---
Production Overhead	6000	---	---	---

Production overhead to be allocated to different process in the process on the basis of 150% of direct wages. Production during the period was 200 units. Assume there is no opening or closing stock. 8

OR

VIII The manufacture of a product 'A' requires two distinct processes. Process 1 and 2. On completion, The product is transferred from the process II to finished stock. The following relate to the product for a particular period.

Elements of cost	Process I Rs:	Process II Rs:
Direct material	800	2000
Direct labor	6000	7000
Direct expenses	4000	3000
Direct production overheads	2000	1000

Production during the period was 1000 units. Show the process accounts until the final process is completed. 15

UNIT-IV.

IX a) What are the scope of break even analysis? State the limitations also 10

b) From the following information, find out fixed cost

Sales -250000

Variable cost

Direct material -3000

Direct labour -5000

Variable overheads -2000

Profit -100000

5

OR

X a) How do we fix selling price under normal circumstances?

5

b) From the following information, calculate margin of safety and PV ratio.

Fixed cost -10000

Variable cost -10000

Sales -1500 units

Selling price/unit -20

10
