

Total No. of Pages: **2**

5661

Register Number:

Name of the Candidate:

B.Com. DEGREE EXAMINATION, May 2015

(FINANCE & INVESTMENT)

(SECOND YEAR)

650: COSTING

Time: Three hours

Maximum: 100 marks

SECTION - A

Answer any FIVE questions.

(5 × 8 = 40)

1. Discuss the four different methods of costing.
2. Define and distinguish between direct and indirect cost.
3. Enumerate the advantage of absorption costing.
4. Give the functions of purchase department.
5. Describe Taylor's differential piece rate system.
6. Discuss the objectives of Cost Volume Profit Analysis.
7. State the advantages and disadvantages of Marginal Costing.
8. Calculate P/v ratio from the following.
 - i) Given: Selling Price ₹10 per unit. Variable cost per unit ₹6
 - ii) Given the profits and Sales of two periods are as under:

	Sales (₹)	Profits (₹)
2000	1,50,000	20,000
2001	1,70,000	25,000

SECTION - B

Answer any THREE questions.

(3 × 20 = 60)

9. What is costing? Discuss briefly the important functions of costing in a business firm.
10. Calculate the material turnover ratio for the year 2001 from the following information and determine which of the two materials is most fast moving.

	Material X (₹)	Material Y (₹)
Material in hand on 01.01.2001	25,000	87,500
Material in hand on 31.12.2001	15,000	62,500
Material purchased during the year	1,90,000	1,25,000

11. Explain the importance of good store keeping in an organisation. What are the duties of a storekeeper?
12. Calculate the earnings of a worker from the following information:
- a) Time Rate Method
 - b) Piece Rate Method
 - c) Halsey Plant
 - d) Rowan plan

Information given: Standard – 30 hours. Time taken -20 Hours. Hourly rate of wages is ₹1 per hour plus a dearness allowance @ 50 paise per hour worked.

13. Compare cost analysis and marginal costing.

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