25ECU206

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BA DEGREE EXAMINATION MAY 2026
(Second Semester)

Branch - **ECONOMICS**

ACCOUNTING AND GST

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer **ALL** questions
ALL questions carry **EQUAL** marks (10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	_______ is not an element of cost. (i) Direct Material (ii) Direct Labour (iii) Factory rent (iv) Selling price	K1	CO1
	2	Factory cost includes ____________. (i) Prime cost + Factory overheads (ii) Direct material + Indirect Material (iii) Selling & distribution overheads (iv) Office & administrative expenses	K2	CO1
2	3	EOQ is economic _________ quantity. (i) Ordering (ii) Placing (iii) Selling (iv) Pricing	K1	CO2
	4	FIFO is ________ (i) Fast Investment in Future Orders (ii) First In First Out (iii) Fast Issue of First Orders (iv) First In Future Order	K2	CO2
3	5	Time wages are paid on the basis of ________. (i) Standard time (ii) Time saved (iii) Output produced (iv) Actual time	K1	CO3
	6	Overhead is also known as __________. (i) On cost (ii) Basic cost (iii) Extra cost (iv) Chargeable cost	K2	CO3
4	7	GST was implemented in India on ________. (i) 1st April 2016 (ii) 1st July 2017 (iii) 1st April 2018 (iv) 15th August 2017	K1	CO4
	8	IGST is levied on _________. (i) Intra - State supply (ii) Imports only (iii) Inter - State supply (iv) Exports only	K2	CO4
5	9	GSTIN consists of ________. (i) 10 digits (ii) 12 digits (iii) 15 digits (iv) 16 digits	K1	CO5
	10	Supply of SEZ is treated as _________. (i) Exempt supply (ii) Nil - rated supply (iii) Zero - rated supply (iv) Non - taxable supply	K2	CO5

Cont...

SECTION - B (35 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** Marks (5 × 7 = 35)

<table>
<tr><th>Module No.</th><th>Question No.</th><th>Question</th><th>K Level</th><th>CO</th></tr>
<tr><td rowspan="3">1</td><td>11.a.</td><td>Briefly explain the types of cost accounting.</td><td rowspan="3">K3</td><td rowspan="3">CO1</td></tr>
<tr><td></td><td>(OR)</td></tr>
<tr><td>11.b.</td><td>Prepare Cost Sheet<table><tr><th></th><th>Rs.</th></tr><tr><td>Direct Material</td><td>20,000</td></tr><tr><td>Distribution Overheads</td><td>600</td></tr><tr><td>Factory Overheads</td><td>3,000</td></tr><tr><td>Administrative Overheads</td><td>2,000</td></tr><tr><td>Direct Expenses</td><td>1,000</td></tr><tr><td>Sales</td><td>40,000</td></tr><tr><td>Direct Labour</td><td>8,000</td></tr></table></td></tr>
<tr><td rowspan="3">2</td><td>12.a.</td><td>Calculate EOQ from the following information:
Consumption of materials per annum Rs.600
Order placing costs per order Rs.12
Cost per kilogram of raw materials Rs.20
Storage cost 20% of average inventory.</td><td rowspan="3">K3</td><td rowspan="3">CO2</td></tr>
<tr><td></td><td>(OR)</td></tr>
<tr><td>12.b.</td><td>Two components A and B are used as follows:
Normal usage 3,600 units per week
Minimum usage 1,500 units per week
Maximum usage 4,500 units per week
Re-ordering quantity: A - 13,000 units; B - 14,000 units
Re-ordering period: A - 4 to 6 weeks
B - 2 to 4 weeks
Calculate the following for each component:
a) Re-order level
b) Minimum level
c) Maximum level.</td></tr>
<tr><td rowspan="3">3</td><td>13.a.</td><td>Estimate the earnings of a Worker under:
a) Time Rate system
b) Piece rate system
Wage rate Rs.2 per hour
DA Rs.2 per hour worked
Standard time = 80 hours
Time taken = 50 hours.</td><td rowspan="3">K3</td><td rowspan="3">CO3</td></tr>
<tr><td></td><td>(OR)</td></tr>
<tr><td>13.b.</td><td>From the following particulars, create a statement of Labour Cost per Day of 8 hours.
a) Monthly salary Rs.9,000
b) Leave salary = 5% of (a)
c) Employees contribution to PF = 8% of (a) and (b)
d) Employer's contribution to ESI = 4% of (a) and (b)
e) Pro rata amenities = Rs.1,000 per head per month
f) Number of working hours in a month = 200 hours</td></tr>
<tr><td rowspan="3">4</td><td>14.a.</td><td>Explain the need for GST in India.</td><td rowspan="3">K4</td><td rowspan="3">CO4</td></tr>
<tr><td></td><td>(OR)</td></tr>
<tr><td>14.b.</td><td>List out the types of GST.</td></tr>
<tr><td rowspan="3">5</td><td>15.a.</td><td>Describe the eligibility conditions for Input Tax Credit.</td><td rowspan="3">K4</td><td rowspan="3">CO5</td></tr>
<tr><td></td><td>(OR)</td></tr>
<tr><td>15.b.</td><td>Discuss the documents required for GST registration.</td></tr>
</table>

SECTION -C (30 Marks)

Answer **ANY THREE** questions

ALL questions carry **EQUAL** Marks (3 × 10 = 30)

16. Construct a Cost Sheet for the year ending 31st December 2023.

	Rs.		Rs.
Opening stock of Raw Materials	60,000	Raw Materials purchased	9,00,000
Wages paid	4,60,000	Work-in-progress(opening)	24,000
Factory Rent	1,84,000	Finished goods(closing)	1,10,000
Work-in-progress(closing)	30,000	Advertising expenses	40,000
Raw Materials (Closing stock)	50,000	Administration expenses	60,000
Finished goods(opening)	1,20,000	Sales	18,00,000

17. Prepare a Stores Ledger Account using FIFO method from the following details.

	Receipts		Issues
1.12.2013	300 units at Rs.4 each	3.12.2013	200 units
4.12.2013	400 units at Rs.4.50 each	7.12.2013	450 units
9.12.2013	200 units at Rs.5 each	10.12.2013	150 units
13.12.2013	400 units at Rs.5.50 each	15.12.2013	200 units

18. The Modern Company is divided into four departments, P1, P2,P3 are production departments and S1 is a service department. The actual expenses for the period are:

Particulars	Rs.	Particulars	Rs.
Rent	1,000	Supervision	1,500
Repairs of Machinery	600	Fire Insurance for Stock	500
Depreciation on Machinery	450	Power	900
Employer's Liability for Insurance	150	Electricity	120

The following information is available in respect of the four departments:

	Departments			
Particulars	P1	P2	P3	S1
Area(Sq. m)	1,500	1,100	900	500
Number of Employees	20	15	10	5
Total wages	6,000	4,000	3,000	2,000
Value of Machinery	24,000	18,000	12,000	6,000
Value of Stock	15,000	9,000	6,000	-
HP of Plant	24	18	12	6

Apportion the costs to production and service departments on the most suitable basis.

19. Discuss the provisions relating to procedure for registration under GST.

20. Classify the types of Supply under GST.

Z-Z-Z END