

DEPARTMENT OF MECHANICAL ENGINEERING

Sub. Code/Name: ME6005 - Process Planning & Cost Estimation Year/Sem: IV/VII

QUESTION BANK

UNIT-III INTRODUCTION TO COST ESTIMATION

Part-A (2 Marks)

1. Define Cost Estimation
2. List any four importance of cost estimation.
3. List any two objectives of cost estimation.
4. What are the functions of cost estimation?
5. What is final cost estimation?
6. What is preliminary estimation?
7. What are the components of job estimate?
8. What is drafting cost?
9. What is inspection cost?
10. State the importance of cost accounting.
11. What are the types of Estimation?
12. What are the methods of Estimation?
13. State the importance of realistic estimates.
14. What is design cost?
15. What is labour cost?
16. What do you mean by overhead cost?
17. Define costing.
18. What are the methods of costing?
19. What is direct cost?

Part-B (16 Marks)

1. (i)What is cost estimating? (8)

(ii)State the objectives of cost estimating. (8)
2. List the functions of estimating. (16)
3. Explain the type of cost estimates, which are used in estimating. (16)
4. List the various data required to make a cost estimate (16).
5. List the various types and sources of data required by the cost estimator. (16).

6. (i) What do you mean by a realistic estimate? (8)
(ii) Describe its importance in production. (8)
7. Explain the procedure followed for estimating the cost of an industrial product. (16).
8. (i) Define costing or cost accounting (6)
(ii) Why costing is essential to industrial control? (12).
9. (i) What is the purpose of costing? (8)
(ii) Differentiate between estimating and costing. (8)
10. Explain the various methods of costing. (16)