Name: **Enrolment No:**	UPES UNIVERSITY WITH A PURPOSE

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, December 2019

Course: Cost Accounting — **Semester: 3**
Program: B.COM.,LL.B. (Hons.) Taxation/ Media & Entertainment Laws 2018 — **Time: 03 hrs.**
Course Code: CLNL3004 — **Max. Marks: 100**

Instructions: All Questions are Compulsory.

S. No.		Marks	CO
Q 1	The Classification of fixed and variable cost is useful for preparation of a) Master budget b) Flexible budget c) Cash budget d) Capital budget	**1**	**CO1**
Q 2	If P/V ratio is 40% of sales then what about the remaining 60% of sales a) Profit b) Fixed cost c) Variable cost d) Margin of safety	**1**	**CO2**
Q 3	The deviations between actual and standard cost is known as a) Multiple analysis b) Variable cost analysis c) Variance analysis d) Linear trend analysis	**1**	**CO1**
Q 4	In sugar manufacturing industries molasses is also produced along with the sugar. Molasses may be of smaller value as compared with the value of sugar and is known as a) Common product b) By- product c) Joint product	**1**	**CO1**

	d) None of them		
Q 5	A taxi provider charges minimum of Rs. 80 thereafter Rs. 12 per kilometer of distance travelled, the behavior of conveyance cost is:- a) Fixed Cost b) Semi – variable Cost c) Variable Cost d) Administrative Cost	**1**	**CO2**
Q 6	Which of the following cannot be classified as Internal Users of Cost and Management Accounting : a) Managers b) Operational level Staffs c) Employees d) Auditors	**1**	**CO2**
Q 7	What is the cost unit basis generally used in Cement Industry? a) Passenger-Kilometer b) Cubic feet c) Kilo-watt hour d) Ton/per bag	**1**	**CO1**
Q 8	The total of Cost of Goods Sold & Selling and Distribution overheads is known as a) Prime Cost b) Cost of Goods Sold c) Work Cost d) Cost of Sales	**1**	**CO2**
Q 9	Office Expenses like office rent, office insurance etc are example of: a) Administrative Overheads b) Selling Overheads c) Distribution Overheads d) Research and Development	**1**	**CO1**
Q 10	Which of the following cost does not change with the level of output? a) Variable cost b) Fixed Cost c) Both (a) and (b)	**1**	**CO1**

<table>
<tr><td></td><td>d) None of the above</td><td></td><td></td></tr>
<tr><td colspan="4">SECTION B</td></tr>
<tr><td>Q 11</td><td>Define the term Cost Accounting and explain the different objectives of Cost Accounting.</td><td>10</td><td>CO1</td></tr>
<tr><td>Q 12</td><td>RST Limited process Product Z through two distinct processes – Process –I and Process- II. On completion, it is transferred to finished stock. From the following information for the year 2018 -2019, prepare Process –I and Process- II A/c.
<table>
<tr><th>Particular</th><th>Process- I</th><th>Process- II</th></tr>
<tr><td>Raw materials used</td><td>7,500 units</td><td>----</td></tr>
<tr><td>Raw materials cost per unit</td><td>Rs. 60</td><td>----</td></tr>
<tr><td>Transfer to next process / finished stock</td><td>7,050 units</td><td>6,525 units</td></tr>
<tr><td>Normal loss (on inputs)</td><td>5%</td><td>10%</td></tr>
<tr><td>Direct wages</td><td>Rs. 1,35,750</td><td>Rs. 1,29,250</td></tr>
<tr><td>Direct Expenses</td><td>60% of Direct wages</td><td>65 % of Direct wages</td></tr>
<tr><td>Manufacturing Overheads</td><td>20 % of Direct wages</td><td>15% of Direct wages</td></tr>
<tr><td>Realizable value of scrap per unit</td><td>Rs. 12.50</td><td>Rs. 37.50</td></tr>
</table></td><td>10</td><td>CO3</td></tr>
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	6,000 units of finished goods were sold at a profit of 15 % on cost. Assume that there was no opening and closing stock of work – in – process.		
	SECTION-C		
Q 13	A company has made a profit of Rs. 50,000 during the year of 2018-19. If the selling price and marginal cost of the product are Rs. 15 and Rs.12 per unit respectively, find out the amount of margin of safety	**10**	**CO4**
Q 14	A coke manufacturing company produces the following products by using 5,000 tons of coal @ Rs. 1,100 per tons into a common process. Coke — 3,500 tons Tar — 1,200 tons Sulphate of ammonia — 52 tons Benzol — 48 tons Apportion the joint cot amongst the products on the basis of physical unit method	**10**	**CO3**
	SECTION-D		
Q 15	The standard mix to produce one unit of products is as follows: Material X — 60 units @ 15 per unit = 900 Material Y — 80 units @ 20 per unit = 1,600 Material Z — 100 units @ 25 per unit = 2,500 **240 units** **5,000** During the month of April, 10 units were actually produced and consumption was as follows: Material X — 640 units @ 17.50 per unit = 11,200 Material Y — 950 units @ 18.00 per unit = 17,100 Material Z — 870 units @ 27.50 per unit = 23,925 **2460 units** **52,225** Calculate all materials variances.	**25**	**CO3**
Q 16	JCL Corporation manufactures and sells two products RB and RD. Three type of materials A, B and C are required for producing these products. Projected information for 2018-19 is given below:	**25**	**CO4**

Products	Projected sales for 2018-19	Inventory (in units)		Direct labor requirement
	Units	On 1-4-2018	On 31-3-19	Hours/ Units
RB	75,000	25,000	31,250	4
RD	50,000	10,000	11,250	6

Raw material stock and usage are as follows:

Direct Material	Required per unit		Inventory on 1-4-2018	Inventory on 31-3-2019
	RB	RD		
A	5 KG	5 KG	40,000 KG	45,000 KG
B	2.50 KG	3 KG	36,250 KG	40,000 KG
C	0	1 KG	7,500 KG	8,750 KG

You are required to prepare the following for 2018-19:

(a) Production budget (in units)
(b) Direct material purchase budget in quantities for A, B and C.