

Name:

Enrolment No:



UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
Online End Semester Examination, Dec 2020

Course: Cost Accounting Semester: III Program: B comm Time 03 hrs. Course Code: FINC1007 Max. Marks: 100

SECTION A

1. Each Question will carry 5 Marks

2. Instruction: Complete the statement / Select the correct answer(s)

S. No.	Question	CO
Q 1	Which of the following statements is false (A) Product costs are those costs which are necessary for production and which will not be incurred even if there is no production (B) Period Costs are those costs which are not necessary for production and are incurred even if there is no production (C) Discretionary costs cannot be avoided at any cost (D) Committed costs are unavoidable and invariant in nature.	CO3
Q2	(i) _____ Accounting helps in cost reduction and inventory control (ii) Fixed Cost per unit _____ with increase in the size of the output.	CO4
Q3	(i) Direct material is the cost of that material which can be _____ to a cost centre or cost object (ii) No cost accounting system can become effective without the _____ control of inventory	CO3
Q4	Which of the following statements is false (A) Ordering cost refers to the cost of deterioration and wastage of materials (B) Carrying costs includes insurance expenses (C) Economical Order Quantity depends upon Annual Consumptions, Buying cost as well as storage cost. (D) Purchase requisition provides a written record of details like quantities and specifications	CO2

Q5	_____ is the term that indicates the phenomenon of workers leaving employment and new workers joining the workforce.	CO1
Q6	_____ method takes into account those workers who have joined in place of those who have left.	CO3

SECTION B

- 1. Each question will carry 10 marks**
2. Instruction: Write short / brief notes

Q 7	A factory uses 4000 varieties of inventory. In terms of inventory holding and inventory usage, the following information is compiled	CO1															
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Amount of inventory</th> <th style="width: 10%;">%</th> <th style="width: 60%;">% value of inventory holding</th> </tr> </thead> <tbody> <tr> <td>3875</td> <td>96.875</td> <td>20</td> </tr> <tr> <td>110</td> <td>2.750</td> <td>30</td> </tr> <tr> <td>15</td> <td>0.375</td> <td>50</td> </tr> <tr> <td>4000</td> <td>1000</td> <td>1000</td> </tr> </tbody> </table>	Amount of inventory	%	% value of inventory holding	3875	96.875	20	110	2.750	30	15	0.375	50	4000	1000	1000	
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	Classify the items of inventory as per ABC analysis with reasons																

Q 8	The average annual consumption of a material is 18250 units at a price of Rs36.50 per unit . The storage cost is 20% on average inventory and the cost of placing an order is 50 Rs. How much quantity is to be purchased at a time (Hint use Economic Order Quantity rule)	CO1
Q 9	Based on the following information calculate the labour turnover rate No of workers as on 01/01/2012 =7600 No of workers as on 31/12/2012=8400	CO2

	During the year 80 workers left while 320 workers were discharged,1500 workers were recruited of whom 300 were recruited because of exits (while the rest were recruited as part of expansion plans) Use separation method and replacement method to compute it																	
Q 10	Using Taylor's differential piece rate system , find the earnings of worker X from the following particulars Standard production 8 units per hour Normal time rate Rs 4 per hour 80% of piece rate below standard 120% of piece rate at or above standard Given X has produced 54 units in a 9 hour day compute the wages payable to X	CO3																
Q 11	Assuming that the fringe benefits overhead is allocated on the basis of number of workers and depreciation expense overhead is divided on the basis of capital value of the equipment kindly apportion the cost to departments A, B and C on an equitable basis	CO2																
	Expense In Rs																	
	Depreciation Expense 10000 Fringe Benefits 1500																	
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Section C																		
1. Each Question carries 20 Marks. 2. Instruction: Write long answer.																		

Q12	Explain the differences between Job Order Costing and Batch Costing with examples	CO2