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| **Name:**<br>**Enrolment No:** | |

**UPES**
**End Semester Examination, May 2025**

**Course: Cost Accounting**
**Semester: VI**
**Program: BCom-LLB** **Time : 03 hrs.**
**Course Code:** FINC3048 **Max. Marks: 100**

**Instructions: Answer to the point. You can use a simple calculator**

**SECTION A**
**(5Qx2M=10Marks)**

| S. No. | Write the correct expression: | Marks | CO |
|---|---|---|---|
| Q 1 | a) All indirect costs are overheads<br>b) All direct costs are overheads<br>c) All labour costs and manufacturing costs are overheads<br>d) All material costs and labour costs are overheads | 2 | CO1 |
| Q 2 | a) Fixed cost per unit is fixed<br>b) Fixed cost per unit is variable<br>c) Fixed cost per unit is semi-fixed<br>d) Fixed cost per unit is semi-variable | 2 | CO1 |
| Q3 | a) A break-even sale = contribution ÷ P/V ratio<br>b) A break-even sale = contribution x P/V ratio<br>c) A break-even sale = contribution + P/V ratio<br>d) A break-even sale = contribution (-) P/V ratio | 2 | CO1 |
| Q 4 | a) A secondary packing cost is a part of the prime cost<br>b) A secondary packing cost is a part of the distribution cost<br>c) A secondary packing cost is a part of the manufacturing cost<br>d) A secondary packing cost is a part of the administrative cost | 2 | CO1 |
| Q 5 | a) The cost unit for measuring the cost of production in the education sector is 'no. of student'<br>b) The cost unit for measuring the cost of production in the education sector is 'student-year'<br>c) The cost unit for measuring the cost of production in the education sector is 'student-month'<br>d) The cost unit for measuring the cost of production in the education sector is 'student passed' | 2 | CO1 |

**SECTION B**
**(4Qx5M= 20 Marks)**

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| Q 6 | What are the benefits of installing Cost Accounting Systems in a bank? | 5 | CO2 |

<table>
<tr><td>Q 7</td><td>Are all cost centers profit centers?</td><td>5</td><td>CO2</td></tr>
<tr><td>Q 8</td><td>Draw a diagram and explain the single break-even point, multiple break-even points, and loss areas with hypothetical numbers.</td><td>5</td><td>CO2</td></tr>
<tr><td>Q 9</td><td>Establish that the BE point (quantity) = Fixed Cost ÷ contribution per unit.</td><td>5</td><td>CO2</td></tr>
<tr><td colspan="4">SECTION-C<br>(2Qx10M=20 Marks)</td></tr>
<tr><td>Q 10</td><td>The following information is given below.<br>Sales (1,00,000 units) 1,00,000<br>Variable cost Rs.40,000<br>Fixed cost Rs.50,000<br>(a) What is the break-even point in terms of quantity?<br>(b) What is the margin of safety?<br>(c) Evaluate the effect of (i) a 10% increase in physical sales volume, (ii) a decrease of 5% in variable cost, and (iii) a 20% increase in fixed cost.</td><td>10</td><td>CO3</td></tr>
<tr><td>Q 11</td><td>The following are the summarized financial results of a company.
<table>
<tr><td>Year</td><td>Sales (Rs.)</td><td>Profit (Rs.)</td></tr>
<tr><td>2024</td><td>150,000</td><td>20,000</td></tr>
<tr><td>2023</td><td>170,000</td><td>25,000</td></tr>
</table>
(a) Find out the profit when the sale is Rs.350,000<br>(b) What is the margin of safety at a profit of Rs 60,000<br>(c) How much is the sale if the profit desired is Rs.50,000</td><td>10</td><td>CO3</td></tr>
<tr><td colspan="4">SECTION-D<br>(2Qx25M=50 Marks)</td></tr>
<tr><td></td><td></td><td></td><td></td></tr>
<tr><td>Q 12</td><td>A small hotel has 50 rooms. The hotel offers concessional rates during six off-season months in a year. During this period, half of the full room rent is charged. The management’s profit margin is targeted at 20% of the room rent. The following are the cost estimates and other details for the year ending on 31st March 2026.<br><br>a) Occupancy during the season is 80%, while in the off-season it is 30%.<br>b) Expenses:<br>Staff salary [Excluding room attendants] Rs. 2,75,000<br>Repairs to building Rs.1,30,500<br>Laundry and linen Rs.40,000<br>Interior and tapestry Rs.87,500<br>Sundry expenses Rs.95,400<br><br>c) Annual depreciation is to be provided for buildings @ 5% and on furniture and equipment @ 15% on a straight-line basis.</td><td>25</td><td>CO4</td></tr>
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| | d) Room attendants are paid Rs.50 per room per day based on the occupancy of the rooms in a month.<br>e) Monthly lighting charges are Rs.. 120 per room, except in four months in winter when it is Rs. 30 per room, and this cost is on the basis of full occupancy for a month.<br>f) Total investment in the home is Rs. 100 lakhs, of which Rs.80 lakhs relate to buildings and the balance to furniture and equipment.<br><br>Determine the room rent chargeable per day both during the season and the off-season months on the basis of the foregoing information. [Assume a month to be of 30 days]. | | |
| Q 13 | In a machine department of a factory, there are five identical machines. From the particulars given below (all monetary figures in '000), prepare the machine hour rate for one of the machines.<br>Space of the department 10,000 sq.mts.<br>Space occupied by the machine 2,000 sq.mts.<br>Cost of the machine Rs. 20,000<br>Scrap value of the machine Rs. 300<br>Estimated life of the machine 13 years<br>Depreciation charged at 7.5 % p.a<br>Normal running of the machine 2,000 hours<br>Power consumed by the machine as shown by the meter Rs. 3,000 p.a<br>Estimated repairs and maintenance throughout the working life of the machine Rs.5,200. Sundry supplies, including oil, waste etc., charged direct to the machine amount to Rs 600 p.a.<br>Other expenses of the department are : `<br>Rent and Rates 9,000<br>Lighting (to be apportioned according to workers employed) 400<br>Supervision 1,250<br>Other charges 5,000<br>It is ascertained that the degree of supervision required by the machine is 2/5th and 3/5th, being devoted to other machines.<br>There are 16 workers in the department of whom 4 attended to the machine and the remaining to the other machines. | **25** | **CO4** |