

**SRIDORA CACULO COLLEGE OF COMMERCE & MANAGEMENT STUDIES
KHORLIM, MAPUSA, GOA.**

T.Y.BCOM FIFTH SEMESTER END EXAMINATION (REPEAT) JUNE 2022

Subject - Cost Accounting Major III- Techniques of Costing

**[Duration: Two Hours]
(W.E.F 2019-20) (CBCS)**

**[Max Marks: 80]
Total No. of Printed Pages: 02**

Instructions:

- 1) Questions No 1 is compulsory.*
- 2) Answer **any three (3)** Question from Question No. 2 to Question No. 6*
- 3) All questions carry equal marks and figures to the right indicate maximum marks allotted to Questions/sub questions.*

Q1. Coral Ltd. Provides you the following information:

20

	Sales (Rs.)	Profit (Rs.)
Period I	40,00,000	4,00,000
Period II	60,00,000	8,00,000

You are required to calculate:

- a. P/V ratio
- b. Break – even sales
- c. sales to earn a profit of Rs. 10,00,000
- d. Margin of safety in period II
- e. profit when sales are Rs. 50,00,000

Q2. From the following information advise the management on the most profitable sales mix to be adopted from the alternatives given by calculating the total contribution and profit resulting from each of the following sales mix:

20

Particulars	Product	Price per unit (Rs)
Direct Material	A	50
	B	40
Direct Wages	A	20
	B	15
Variable Expenses	A	10
	B	5
Sales Price	A	150
	B	100

Fixed expenses are Rs. 2000

Possible sales mixes

- i. 200 units of product A and 200 units of product B
- ii. 300 units of product A and 100 units of product B
- iii. 100 units of product A and 300 units of product B

Q3. A. From the data given below you are required to present comparative profit statements for each month using marginal costing. 10

	March	April
	units	units
Sales	5000	10000
Production	10000	5000
	Rs.	Rs.
Selling price per unit	100	100
Variable production cost per unit	50	50
Closing Stock	250000	
Fixed production overheads incurred	100000	100000
Fixed production overhead cost per unit, being the pre-determined overhead absorption rate	10	10
Selling distribution and administration cost (all fixed)	50000	50000

Q.3.B Calculate the material variances from the following data. 10

Materials	Standard Mix	Actual Mix
A	40 units @ Rs. 50 each	50 units @ Rs. 50 each
B	60 units @ Rs. 40 each	60 units @ Rs. 45 each

- Material Cost Variance
- Material Price Variance
- Material Quantity Variance

Q.4 The standard output of a product is 20 units per hour in manufacturing department of a company employing 100 workers. The standard wage rate per labour hour is Rs. 6. In a 42 hours week, the department produced 1040 units despite 5% of the time paid was lost due to an abnormal reason. The hourly wage actually paid were Rs. 6.10, Rs. 6.10 and Rs.5.70 respectively to 10, 30 and 60 of the workers. 20

Calculate the following variances:

- LCV
- LRV
- LEV
- LITV

Q.5.A. What do you mean by Management Reporting System? Explain the principles of Good Reporting System. 10

Q.5.B. Explain the concept and methods of transfer pricing. 10

Q.6. Answer any Four of the following: 20

- Write short note on Management Control System.
- Explain briefly Balance score card
- Distinguish between Marginal and Absorption costing.
- Distinguish between Standard Cost and Estimated Cost.
- Write short note on Break-even Point.
- state features of standard cost.