

**SARASWAT VIDYALAYA'S  
SRIDORA CACULO COLLEGE OF COMMERCE & MANAGEMENT STUDIES  
KHORLIM, MAPUSA, GOA.**

**T.Y.BCOM Course (CBCS) Ordinance (Semester - V)  
END EXAMINATION NOVEMBER 2023  
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: 03**

*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.**

Q.1. The following information is related to Naga Ltd for the year ending 31<sup>st</sup>December, 2022. (20)

Sales	Rs. 1,00,000
Variable Cost	Rs. 60,000
Fixed Cost	Rs. 30,000

- a. find the
- i. P/V Ratio,
  - ii. Break-even sales
  - iii. margin of safety at this level.
  - iv. 20% increase in selling price (Sales)
  - v. 10% decrease in selling price (Sales)

Q.2. XYZ Ltd. Produces two products using the same raw materials and production facilities provides you with the following information. (20)

Particulars	Product A	Product B
Selling price per unit	Rs 100	Rs. 80
Material Rs 2 per kg	Rs 20	Rs 10
labour at Rs 3 per hour	15	30
Variable overheads at Rs 4 per machine hour	40	16
Total fixed overheads Rs 6,00,000		

Comment on the profitability of each product when

- i. Sales quantity is limited.
- ii. Sales volume is limited.
- iii. Raw material is in short supply.
- iv. Labour hours are limited.
- v. Production capacity in terms of machine hours is limited.

Q.3.A. Superman Manufacturing Ltd supplies you the following data. Prepare Income Statement under Marginal Costing. (10)

Particulars	Amount (₹)
Direct Materials	90,000
Direct Wages	45,000
<u>Variable Overheads</u>	
Factory	25,000
Administration	3,000
Selling & Distribution	2,000
<u>Fixed Overheads</u>	
Factory	38,000
Administration	10,000
Selling & Distribution	8000
Sales	3,00,000

Q.3.B. Using following information of Mr. Nathan Goa, Calculate each of the three labour variances for each department :- i) Labour Cost Variance, ii) Labour Rate Variance and iii) Labour Efficiency Variance. (10)

PARTICULAR	DEPT X	DEPT Y
Gross wages direct	Rs. 30000	Rs. 24380
Standard hours produced	8000	6000
Standard rate per hour	Rs. 3	Rs. 3.5
Actual hours worked	6500	5300

Q.4. From the data given below, calculate— (a) Material cost variance; (b) Material price variance; (c) Material usage variance; and (d) Material mix variance. (20)

Product	St. Qty (Units)	St. Price (R)	Actual Qty (Units)	Actual Price (R)
X	1,050	2.00	1,100	2.25
Y	1,500	3.25	1,400	3.50
Z	2,100	3.50	2,000	3.75

Q.5. A. 'A good reporting system is necessary for effective communication'. Discuss in light of principles of good reporting system. (10)

Q.5. B. List and explain the steps involved in performance-based budgeting. (10)

Q.6. Answer any 4 (FOUR) from the following (20)

- Distinguish between Marginal and Absorption costing
- Write a note on Angle of incidence.
- Write a note on significance of Variance Analysis

- d. Briefly explain objectives of setting transfer pricing.
- e. Explain the need of management control system.
- f. Explain briefly the importance of balance score card in performance measurement.