GOA UNIVERSITY

T.Y.B.com. (CBCS) (semester-V)

Subject Name: Cost Accounting -Techniques Of Costing

Paper Title: Techniques Of Costing **Paper Code: UCOD110**

Duration: 2:00 Hours **Total Marks: 80**

Instructions: i) Question No.1 is Compulsory.

ii) Answer any Three questions from Q.No.2 to Q. No.6.

iii) Give working notes wherever necessary.

iv) All questions carry equal marks.

v) Figures to the right indicate maximum marks allotted.

vi) Enter the appropriate main & sub-questions numbers in the answer book.

Q.1. The following figures relate to Godrej company manufacturing varied range of products: **(20)**

Year	Total cost (Rs)	Total sales (Rs)
Year ending 31/3/2024	19,83,600	22,23,000
Year ending 31/3/2025	21,43,200	24,51,000

Assuming stability in prices, with variable costs carefully controlled to reflect predetermined relationships, and an unvarying figure for fixed costs calculate:

a) Profit volume Ratio
b) Fixed Cost
c) Fixed cost % to sales
d) Break-even point in Rs
e) Margin of safety for the year 2024 and 2025 (in Rs)

Q.2.The following particulars are extracted from Amul Co Ltd. **(20)**

Particulars	Product A (per unit) ₹	Product B (per unit) ₹
(a) Selling price	100	120
(b) Direct material @ Rs 4 per kg	12	16
(c) Direct wages @ Rs 3 per hour	15	18
(d) Direct expenses	3	4
(e) Variable overhead	2	4

Comment on the profitability of each product (both use same raw material.

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When:

i. Total sales potential in value is limited.
ii. Raw material is in short supply

Q.3. The standard cost of a chemical mixture is as under of Crompton Greaves Ltd for the year ended 31/3/2025. **(20)**

40% Material **C** @ Rs.50 per kg

60% Material **D** @ Rs.30 per kg

A standard loss expected in production is 10% of input.

The actual cost record for a period showed the following usage:

150 kg Material **C** @ Rs.55 per kg

250 kg Material **D** @ Rs.28 per kg

Actual quantity of output produced was 365 kg

Calculate:

a) Material cost variance
b) Material price variance
c) Material usage variance
d) Material mix variance
e) Material yield variance

Q.4.A. From the following data of Dell Co. Ltd compute **(10)**

Calculate:

a) Labour cost variance
b) Labour rate variance
c) Labour efficiency variance
when:

i)The budgeted labour force for the product is 40 women workers @ Rs 75 per hour for 100 hours and 20 men workers @ Rs 125 for 100 hours.

ii)The actual labour force used is 44 women workers @ Rs 80 per hour for 100 hours and 16 men workers @ Rs 120 per hour for 100 hours.

Q.4.B. The data given below relate to Modern Garments which produced and sold T-shirts during 2024-2025. The Opening stock of 500 T-shirts valued at Rs 1,00,000 including variable cost of Rs 80 per T-shirt. **(10)**

Particulars	
Production	5,000 T-shirts
Sales @ Rs 300 per T-shirt	4,000 T-shirts
Direct material cost	Rs 2,00,000
Direct labour cost	Rs 1,00,000
Factory overheads:	
Variable	Rs 1,00,000
Fixed	Rs 6,00,000

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Closing stock is valued at current cost.

Prepare income statements under a) Absorption costing and b) Marginal costing.

5.A. Explain the Steps of Performance Budgeting **(10)**

5.B. Explain briefly the Classification of Reports. **(10)**

Q.6. Write short notes on any FOUR of the following: **(4x5= 20)**

a. Uses of Profit/Volume Ratio (P/V Ratio).

b. Significance of Variance Analysis (any 5 points).

c. Objectives of Marginal Costing (any 5 points).

d. Application of Marginal Costing in Make or Buy decision.

e. Advantages of Standard Costing (any 4 points).

f. Concept and Benefits of Balanced Score Card.

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