



B.Com. (Semester - VI) Examination, April 2015
Major - II : COST AND MANAGEMENT ACCOUNTING
Methods and Techniques of Costing - II

Duration : 2 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) **All** questions carry **equal** marks.
iv) Give working notes **wherever** necessary.

1. The given information relating to two years of Bony Ltd.

Year	Sales (Rs.)	Profit
2013	3,60,000	48,000
2014	4,08,000	60,000

You are required to compute :

- Profit Volume Ratio
- Fixed cost
- Break Even Point (in rupees)
- Sales required to earn a profit of Rs. 72,000
- Margin of safety at a profit of Rs. 1,44,000 and
- Profit made, when sales are Rs. 6,00,000.

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2. From the following data relating to the products X, Y, and Z

Materials	Standard	Actual
X	1750 units @ Rs. 10 per unit	1900 units @ Rs. 9.50 per unit
Y	5050 units @ Rs. 5 per unit	5400 units @ Rs. 6 per unit
Z	2050 units @ Rs. 7.50 per unit	1900 units @ Rs. 9 per unit

calculate :

- Total Material Cost Variance
- Total Material Price Variance
- Total Material Usage Variance and also show Statement of Costs.

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P.T.O.



3. i) Define Uniform Costing. Explain its advantages. 10

ii) Andhra Ltd. manufactures two products B and C. The following details relating to each unit of production :

Particulars	Product B	Product C
Direct Materials (Rs. 5 per Kg.)	Rs. 40	Rs. 80
Direct Wages (Rs. 4 per hour)	Rs. 36	Rs. 18
Variable Overhead	Rs. 4	Rs. 2
Selling Price	Rs. 110	Rs. 130

Prepare :

- I) A Statement of Cost and Contribution and
- II) Report which of the product would you recommend under each of the following situations :
 - a) Raw materials in short supply
 - b) Labour hour are limited and
 - c) Total sales potential in units is limited. 10

4. i) From the following data compute :

- a) Labour Cost Variance
- b) Labour Rate of Pay Variance
- c) Labour Efficiency Variance and
- d) Labour Mix Variance

When:

- I) The budgeted labour force for the product X is 40 women workers @ Rs. 75 per hour for 100 hours 20 men workers @ Rs. 125 per hour for 100 hours
- II) The Actual Labour force used is 44 women workers @ Rs. 80 per hour for 100 hours 16 men workers @ Rs. 120 per hour for 100 hours. 10

ii) What are the types of inter-firm comparison ? 10

5. i) What are the forms of reporting ? 10

ii) Explain performance budgeting. 10

6. Explain any four of the following : (4×5=20)

- i) Limitations of Uniform Costing
- ii) Overhead Variance
- iii) Advantages of Marginal Costing
- iv) Break Even Point
- v) Transfer Pricing
- vi) Contribution