

**Goa Vidyaprasarak Mandal's**  
**GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE**  
**AND ECONOMICS, PONDA-GOA**  
**B.COM. (SEMESTER – V) EXAMINATION, AUGUST 2020**  
**TECHNIQUES OF COSTING (DSE 3)**

**Duration:- 2 Hours**

**Marks: 30**

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Instructions: 1) Answer any five sub questions from Q.No.1 carrying 2 marks each.  
2) Answer any four sub questions from Q.No.2 carrying 5 marks each.

Q I) Answer **any FIVE** of the following:

- a) Define Marginal costing.
- b) What do you mean by Variance in Standard Costing?
- c) What do you mean by transfer pricing?
- d) What are the various types of reports?
- e) State the various types of variances in standard costing.
- f) What do you mean by margin of safety?
- g) What is key factor analysis?
- h) What is standard cost?

Q II) Answer **any FOUR** of the following:

A. From the following data prepare income statement under Marginal Costing and calculate the profit earned.

Production in units	1,00,000
Sales in units	80,000
Selling price per unit	15
Direct Materials	2,50,000
Direct Labour	3,00,000
Factory Overheads –Fixed	2,50,000
Factory Overheads – Variable	1,00,000
Selling & distribution Overheads – Fixed	2,00,000
Selling & distribution Overheads – Variable	1,00,000

B. Sales turnover and profit during two years were as follows: -

Year	Sales(₹)	Profit (₹)
2018	1,50,000	20,000
2019	1,70,000	25,000

You are required to calculate: -

- a) P/V Ratio
- b) Fixed Cost per year
- c) BEP Sales per year

C. Following information is available from cost records for manufacture of 1000 kgs of product X. Standard cost is as under :

Material	Qty (Kgs)	Rate per Kg (₹)
A	800	6.00
B	400	4.00

Actual cost is as under:

Material	Qty (Kgs)	Rate per Kg (₹)
A	750	7.00
B	500	5.00

Calculate: -1) Material Cost Variance  
2) Material Price Variance  
3) Material Usage Variance

D. What are general principles for report presentation?

E. From the following information calculate Material Mix Variance:

Material	Standard		Actual	
	Qty	Price	Qty	Price
A	1,000	2	500	3
B	2,000	3	1,500	6

F. State the formula for the following:

- i) Material Price Variance
- ii) Material Usage Variance
- iii) Margin of safety
- iv) Break Even Point in Units
- v) BEP in Value

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