

Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND ECONOMICS,
FARMAGUDI, PONDA – GOA.

B.COM. CBCS (SEMESTER-V) REGULAR EXAMINATION, NOVEMBER 2023
TECHNIQUES OF COSTING (DSE-3)

Duration: 2 hours

Maximum marks : 80

Instructions : 1) Q. 1 is **Compulsory**.

2) Answer any **THREE** questions from Q.no.2. To Q.no.6.

3) Figures to the right indicate maximum marks.

4) Number of pages = 03/Three. .

1. From the following information, Prepare the income statement for the year, based on Marginal Costing techniques. **(20 marks)**

Total Production in units p.a.	50,000 units
Total Sales in units p.a.	30,000 units
Selling price	₹ 80 per unit
Production Cost:	
Direct Material`	₹ 12 per unit
Direct wages	₹ 6 per unit
Direct expenses	₹ 2 per unit
Variable Overheads	₹ 5 per unit
Production overheads (fixed)	₹ 75,000 p.a.
Office overheads (fixed)	₹ 2,60,000 p.a.
Selling & Distribution overheads:	
Fixed	₹ 90,000 p. a.
Variable	10 % on sales

2. The following were the details relating to 2 products Red and Green

(20 marks)

	Red (₹)	Green (₹)
Selling price	1600	1800
Direct material (₹ 10 per kg)	380	680
Direct wages (₹ 5 per hr.)	280	240
Variable overheads	200	180
Direct expenses	100	160

Total fixed overheads are ₹ 24,00,000.

1. Comment on the profitability of both products when:
 - a. Total sales potential in units is limited.
 - b. Total sales potential in value is limited.
 - c. Raw material in short supply
 - d. Labour hours are limited

3. The following is the standard and actual information of product P

(20 marks)

Standard Material Cost for production of 1000 units of Product P		
Material	Material Qty (Kgs)	Rate per Kg (₹)
A	800	25
B	200	40
C	200	10
Actual Material Cost for production of 1000 units of Product P		
Material	Material Qty (Kgs)	Rate per Kg (₹)
A	785	24
B	190	42
C	180	11

Calculate the following variances:

- 1) Material Cost Variance,
- 2) Material Price Variance,
- 3) Material usage/Quantity Variance,
- 4) Material Mix Variance,
- 5) Material Yield Variance.

4. A. Following is the information of product Z.

(10 marks)

Particulars	
Selling price per unit	₹ 1,500
Variable cost per unit	₹ 900
Fixed cost	₹ 1,50,000
Actual sales quantity	900 units

Calculate:

- a. BEP (in units and sales value)
- b. Margin of safety (in units and sales value)
- c. Sales to earn a desired profit of ₹ 5,00,000.

4. B. The details regarding the composition and the weekly wage rates of labour force engaged on a job scheduled are as follows: -

(10 marks)

STANDARD LABOUR COST to be completed in 10 weeks		
Category of workers	Number of labourers	Weekly wage Rate per labourer (₹)
Skilled	50	60
Semi-skilled	20	36
Unskilled	30	24

ACTUAL LABOUR COST completed in 12 weeks		
Category of workers	Number of labourers	Weekly wage Rate per labourer (₹)
Skilled	40	65
Semi-skilled	25	50
Unskilled	35	20

