UCOD110

Total No. of Printed Pages: 03

T.Y.B.Com. Semester V

Cost Accounting Major III: Techniques of Costing

[Duration: 2 Hours] [Max. Marks:80]

Instructions:

1. Question No.1 is compulsory.
2. Answer any THREE questions from Q. No. 2 to Q. No. 6.
3. Figures to the right indicate maximum marks allotted.
4. All questions carry equal marks.

Q.1 The cost data of Dharma Industries, Mapusa, for the year ending 31st March, 2024 is given as below.

Particulars	Amount - ₹
Direct Material	4,00,000
Direct Labour	4,00,000
Other Variable overheads	4,00,000
Fixed Cost	6,00,000
Net Profit	2,00,000
Sales	20,00,000

Calculate:

1. Profit Volume Ratio.
2. Break Even Point in Sales value.
3. Margin of Safety.
4. Profit made when sales amounted to ₹ 30,00,000.
5. Sales required to earn a profit of ₹ 2,40,000 **(20)**

Q. 2 Following information has been made available from the cost records of M/s Laxmi Electronix Pvt. Ltd., manufacturing spare parts.

Direct Material per unit: Product X - ₹ 8, Product Y - ₹ 6

Direct wages:
Product X - 24 hours @ ₹ 0.25 per hour, Product Y - 16 hours @ ₹ 0.25 per hour

Variable factory overheads: 150 % of wages
Fixed factory overheads: ₹ 750

Selling Price: Product X - ₹ 25, Product Y - ₹ 20
The directors want to know the desirability of adopting any one of the alternatives of sales mixtures in the budget.
Sales Mixtures:
a) 250 units of X and 250 units of Y
b) 400 units of Y only
c) 400 units of X and 100 units of Y
d) 150 units of X and 350 units of Y
Calculate:

i) The marginal product cost and the contribution per unit.

ii) The total contribution and profits resulting from each of the above sales mixtures. And state which one of the alternatives given above would you recommend to the management. **(20)**

Q.3 The Standard material inputs required for 1000 Kgs. of a finished product are given below.

Material	Quantity	Standard rate per Kg.
	In Kgs	₹
A	450	20
B	400	40
C	250	60
	1,100	
Less: Std. Loss	100	
Standard Output	1,000	

Actual production in a period was 20,000 Kgs. of the finished product for which actual quantities of material used and the price paid thereof was as under:

Material	**Quantity used**	**Actual Rate per Kg**
	Kgs	**₹**
A	10,000	19
B	8,500	42
C	4,500	65
	23,000	

Compute:

1. Material Cost Variance
2. Material Price Variance
3. Material Usage Variance
4. Material Mix Variance **(20)**

Q.4 A. From the following information, prepare an income statement under Marginal costing and Absorption costing. **(10)**

Particulars	**Products**	
	X	**Y**
	₹	₹
Direct Material	7,500	30,000
Direct Wages	9,000	9,000
Factory Overheads:		
Fixed	3,000	1,500
Variable	3,900	9,000
Selling Overheads:		
Fixed	1,500	900
Variable	2,100	6,000
Sales	32,000	61,000

Q.4 B The budgeted labour force for a certain process is as below:

Particulars			₹
Skilled Men	800 hrs	@ ₹ 1 p.hr	800
Semi-Skilled Men	1,600 hrs	@ ₹ 0.90 p.hr	1440
	2,400 hrs		2,240

During a certain week, the actual labour force was:

Skilled Men - 1200 hrs. @ ₹ 0.90 p.hr ₹ 1,080
Semi-Skilled Men - 1800 hrs. @ ₹ 0.90 p.hr ₹ 1,620

₹ 2,700

Calculate:

1. Labour Cost Variance
2. Labour Rate Variance
3. Labour Efficiency Variance **(10)**

Q.5 A. Explain the meaning and need of Management Control System in the business organization. **(10)**

B. Explain the classification of reports. **(10)**

Q.6 Write short notes on any **FOUR** of the followings: **(4 x 5 = 20)**

a) Features of Marginal Costing
b) Any two applications of Marginal Costing.
c) Significance of variance analysis.
d) Difference between Absorption Costing and Marginal Costing
e) Performance Budgeting.
f) Overhead cost variances.