

TYBCOM SEMESTER END ASSESSMENT JANUARY 2022

COST & MANAGEMENT ACCOUNTING - TECHNIQUES OF COSTING (UCOD110)

Semester: V

Duration: 2 Hours

Max Marks: 80

Instructions:

- Question no. 1 is compulsory.
 - Answer any three questions from Question No 2 to Question No 6
 - Figures to the right indicate maximum marks allotted.
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Q. 1 Following figures are extracted from the books of a Tundra Manufacturing company.
(20 Marks)

- Direct material Rs. 2,00,000
- Direct labour Rs. 1,50,000
- Fixed Overhead Rs. 1,00,000
- Variable Overhead Rs. 1,50,000
- Sales Rs. 10,00,000
- Total Production is 2,00,000 units

Prepare a marginal cost statement and calculate,

1. P/V ratio,
2. Break-even point in sales value,
3. Margin of safety,
4. sales required to earn a profit of ₹ 15,00,000
5. Profit when sales is 5,00,000 units.

Q. 2 Amol industries manufactures two products Sitra and Cola and the management has the option to alter the sales mix of the two products.
(20 Marks)

- I – 80 units of Sitra and 60 units of Cola
II – 100 units of Sitra and 40 units of Cola.
III – 60 units of Sitra and 80 units of Cola
IV – 110 units of Sitra and 30 units of Cola

Per unit cost data is as follows.

Particulars	Sitra	Cola
Direct materials	₹ 250	₹ 300
Direct labour	10 hours	12 hours
Selling price	₹ 1000	₹ 1200

Variable factory overheads is 20% of direct labour cost for both the products.
Common fixed overheads is ₹ 10,000. Labour rate is ₹ 50 per hour.

You are required to prepare marginal cost statement and recommend the most profitable sales mix from the options provided.

Q. 3 Using the following information calculate (20 Marks)

1. Material Cost Variance
2. Material Price Variance
3. Material Usage Variance
4. Material Mix Variance

Material	Standard	Actual
A	90 units at ₹ 10 each	100 units at ₹ 12 each
B	60 units at ₹ 16 each	60 units at ₹ 15 each

Q. 4 Using Following information calculate (20 Marks)

1. Labour Cost Variance
2. Labour Rate Variance
3. Labour Efficiency Variance

Also prepare the table showing actual and standard information.

Standard:

20 skilled men @ ₹5 per hour for 20 hours
50 Semiskilled men @ ₹ 4.50 per hour for 30 hours
40 unskilled men ₹3.50 per hour for 40 hours

Actual:

30 skilled men @ ₹5 per hour for 20 hours.
40 Semiskilled men @ ₹ 4 per hour for 40 hours.
40 unskilled men ₹3.50 per hour for 40 hours

Q. 5 A. Explain the different classification of reports. (10 marks)

B. Explain in detail the need for management control in detail. (10 marks)

Q. 6. Write short note on **any four** of the following (4 X 5 = 20)

- I. Absorption costing
- II. Angle of incident
- III. Performance budgeting
- IV. Standard cost and standard costing
- V. Transfer pricing
- VI. Overhead variance