

T. Y. B. COM. (2008 COURSE) : WINTER - 2017

SUBJECT: COST & MANAGEMENT ACCOUNTING - III

Day: Friday
Date: 03/11/2017

W-2017-4001

3.00 P.M. TO 6.00 P.M.
Time:
Max. Marks: 80

N.B.:

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Answers both the sections should be written in the **SAME** answer book.
- 4) Use of non-programmable **CALCULATOR** is allowed.

SECTION-I

Q.1 Attempt any **TWO** of the following: (16)

- a) What is 'Break-Even point'? How it is calculated?
- b) What is 'Flexible Budget'? What are the steps in preparing it?
- c) Explain the objectives and limitations of Marginal Costing.
- d) What are the advantages of cost audit?

Q.2 Samarth Ltd. Pune, shows the turnover and profits for the two periods as (16) below:

Period	Turnover Rs.	Profit Rs.
I	10,00,000	1,00,000
II	12,00,000	1,40,000

You are required to calculate

- i) P/V Ratio
- ii) Sales required to earn a profit of Rs. 3,00,000

OR

Q.2 Attempt the following: (16)

- a) What is 'Margin of Safety'? What is its importance in marginal costing?
- b) What is 'Budgetary Control'? Explain the objectives and advantages of budgetary control.

SECTION-II

Q.3 In XYZ Chemicals, for the output of 'A' chemical of 10 kgs. The actual mix (16) differs from the standard mix with a change in output.

The cost details for a period of March, 2017 are given as follows:

Materials	Standard Mix			Actual Mix		
	Quantity kgs	Price Rs.	Cost Rs.	Quantity kgs	Price Rs.	Cost Rs.
'BK'	60	20	1,200	75	22	1,650
'PK'	40	10	400	30	08	240
Total	100		1,600	105		1,890

P. T. O.

Calculate the following material variances;

- i) Material Cost Variance
 - ii) Material Price Variance
 - iii) Material Usage Variance and
 - iv) Material Mix Variance
- Also verify your results.

Q.3 Attempt the following: (16)

- a) What 'Standard Costing'? Explain the advantages of standard costing.
- b) Define 'Inter Firm Comparison'. Explain its limitations.

Q.4 Sarvesh Co. a product, the standard cost and card of the same discloses the following information: (16)

Standard Rate per hour	Rs. 26
Standard Time for a unit of output	Hours 5

The actual cost data for a particular period are as follows:

Total number of units produced	Units 200
Actual hours worked	Hours 900
Total Labour Cost	Rs. 27, 000

You are required to calculate:

- i) Labour Cost Variance
- ii) Labour Rate Variance
- iii) Labour Efficiency Variance

Also verify your results

OR

Q.4 Attempt the following: (16)

- a) What are the limitations of Uniform Costing?
- b) What are the different types of standard costing?

Q.5 Write short notes on any **FOUR** of the following: (16)

- a) Key factor
- b) Contribution
- c) Objectives of uniform costing
- d) Objectives of Inter firm comparison
- e) Labour mix Variance
- f) Material Cost Variance

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