

Day : Monday

Time: 3.00 P.M. TO 6.00 P.M.

Date : 30/10/2017

W-2017-4011

Max. Marks: 80

N.B.:

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Answers to both the sections should be written in **SAME** answer book.

## SECTION – I

Q.1 What is 'Budgetary Control'? Explain in detail types of budget. [16]

OR

- a) Explain different types of Labour Variances. [08]
- b) What is 'Interfirm Comparison'? Explain its advantages. [08]

Q.2 In Sigma Chemicals, for the output of Sigma chemical of 10kgs. The Actual mix differs from the standard mix with a change in output. [16]

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

Workers	Standard			Actual		
	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

Calculate the following material variance.

- a) Material Cost Variance
- c) Material Usage Variance
- b) Material Price Variance
- d) Material Mix Variance

OR

- a) Explain limitations of 'Uniform Costing'. [08]
- b) Explain the objectives of Budgetary Control. [08]

## SECTION – II

Q.3 Reliance Industries provides the following information for the year 2016-17. [16]

Sales Rs. 2,00,000

Variable Cost Rs. 1,00,000

Fixed Cost Rs. 50,000

- a) Find P/V Ratio, BEP (Sales) and Margin of Safety.
- b) Also calculate the effect of the following:
  - i) 10% increase in selling price.
  - ii) 5% decrease in variable cost.
  - iii) 10% decrease in fixed cost.

OR

- a) What do you mean by 'Activity Based Costing'? [08]
- b) Explain the process of cost reduction. [08]

Q.4 Explain in detail Pricing Decision and Pricing Policy. [16]

OR

- a) Explain principles of product pricing. [08]
- b) What is 'Break Even Point'? How it is ascertained? [08]

Q.5 Write short notes on **ANY FOUR** of the following: [16]

- a) Just – In – Time (JIT)
- b) Theory of Price
- c) Features of differential costing
- d) Margin of Safety
- e) New Product Pricing
- f) Activity Based Costing