

**BACHELOR OF COMMERCE : 2016 Course**  
**T. Y. B. Com. Sem-VI : WINTER- 2022**  
**SUBJECT : COST & MANAGEMENT ACCOUNTING-VI**

Day : Friday  
Date : 16-12-2022

Time : 10:00 AM-01:00 PM

W14469 - 2022

Max. Marks : 60

**N.B.:**

- 7) All questions are **COMPULSORY**.
- 8) Figures to the **RIGHT** indicate **FULL** marks.
- 9) Use of non-programmable **CALCULATOR** is allowed.

**Q.1** What is Inter Firm Comparison? State its objectives and discuss requirements for application of Inter Firm Comparison. (12)

**OR**

Define Inter Firm Comparison. Give its advantages and limitations with suitable examples.

**Q.2** The market share and computation of fair price for three different firms in an industry is as follows: (12)

	<b>Arohan Ltd</b>	<b>Arnav Ltd</b>	<b>Ajanta Ltd</b>
Market Share (%)	35	35	30
Direct Materials	50	55	60
Direct Labour	45	45	45
Depreciation	100	100	100
Overheads	120	120	150
Total Cost	315	320	355
Profit (20%)	63	64	71
Fair Price	378	384	426

You are required to calculate common price for industry based on Total Cost plus Profit approach for the product. Assume output of the industry as 100 units.

**OR**

- a) Define Uniform Costing and state its objectives. (6)
- b) What are the features of Uniform Costing? (6)

**Q.3** What is Standard Costing? Explain objectives, advantages and limitations of Standard Costing. (12)

**OR**

- a) From the following particulars calculate: (6)
  - i. Labour Cost Variance
  - ii. Labour Rate Variance
  - iii. Labour Efficiency Variance

	<b>Standard</b>	<b>Actual</b>
No. of Hours per unit	10	8
Rate per hour (Rs.)	100	120

- b) From the following particulars calculate: (6)
  - i. Material Cost Variance
  - ii. Material Price Variance
  - iii. Material Usage Variance

	<b>Standard</b>	<b>Actual</b>
Material in KG	20	22
Price per KG (Rs.)	150	140

**PTO.....**

**Q.4** What is Activity Based Costing? Discuss stages to be considered in implementation of Activity Based Costing. (12)

**OR**

ACGL Ltd has four different customers A, B, C and D. Company sells a same product to them at different prices due to trade discount. Prepare customer profitability statement as per ABC.

**Details of Customers**

Particulars	A	B	C	D
Units sold	100	150	200	250
Selling Price Per Unit	30	30	30	30
Trade Discount	10%	Nil	15%	12.5%
No. of sales visits	2	3	4	5
No. of purchase orders	1	2	2	5
No. of deliveries	2	3	4	5
Kms per journey	50	60	75	90
No. of rush deliveries	1	-	1	2

**Additional Information:**

Activity	Cost per activity (Rs.)
Sales visit	120
Order placing	40
Product handling	5
Normal delivery cost	3 per km
Rushed deliveries	150 per delivery

**Q.5** Write short note on any three of the following:

(12)

- Use of Ratios in Inter Firm Comparison
- Requirements of Uniform Costing
- Overhead Variance
- Cost Drivers

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