R/E (60:40)
R-2016-17 till 2020-21
E-2016-17 till 2019-20

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EXAMINATION- MAY 2022
THIRD/ FIFTH SEMESTER
Sub.: Cost and Work Accounting - III (BCOM19-304C / BCWA-503)

Date: 26/05/2022 **Total Marks: 60** **Time: 2.00 pm to 4.30 pm**

Instructions: 1) All questions are compulsory. 2) Figures to the right indicate full marks.

Q. 1 (a) Fill in the blanks (Any 5) **(05)**

1. The cost which remains fixed irrespective of level output are known as……..
   a) Fixed Cost b) Variable Cost
   c) Semi Variable Cost d) None of them
2. …………per unit is difference between the selling price of a unit of product or service and its marginal cost.
   a) Contribution b) Profit Volume Ratio
   c) Break Even Point d) Margin of Safety
3. A …………is plan for some specific future period.
   a) Standard Cost b) Budgeting
   c) Budget d) None of them
4. Budget is prepared --------
   a) in advance for special period b) for management
   c) after a specified period d) for cost control
5. ------- is technic through which variable cost are taken for the purpose of product costing, inventory valuation and other important management decision.
   a) Marginal costing b) Contract costing
   c) Process costing d) None of the above
6. Idle time variance is always -------
   a) lower b) similar
   c) adverse d) None of these
7. Cost audit can measure the ------ of the organization
   accuracy efficiency
   None of these All of above

Q. 1 (b) State whether the following statement are true or false (any 5) **(5)**

1. At break-even point equals fixed cost.
2. Budgetary control does not aim at as optimum wage of resource to derive a maximum monetary gain.
3. Uniform costing may create monopolistic tenderizes within the industry.
4. Standard cost is predetermined costs of a product under present or anticipated future conditions.
5. Target costing provides a cross- functional communication language for the product optimization.
6. Fixed cost are controllable in nature in shorter run
7. Target costing provides a cross-functional communication language for the product optimization.

Q. 2 a) The sales director of a manufacturing company reports that he plans to sell 30,000 units of a product in the next year. The production manager consults the storekeeper and casts his figures as follows **(20)**

Two kind of raw materials X and Y are required to manufacture the product. Each unit of the product requires 3 unit of X and 4 units of Y. The estimated opening balances at the commencement of the next year are –
Finished product: 8000 Units; X = 7,500 units and Y = 10000 units
You are required to draw up a quantitative chart showing material purchase budget for the next year.

OR

Q. 2 b) Define cost Audit. Explain types of cost Audit.

Q. 3 a) 'Syntel' Ltd. provides you the following information from their records. **(10)**

The standard material requirement is-

Material	Quantity (kgs)	Rate per kg (Rs)
A	800	6
B	400	4

The actual consumption of material is as under

Material	Quantity (kgs)	Rate per kg (Rs)
A	750	7
B	500	5

Calculate :-
1) Material cost variance
2) Material price variance
3) Material usage variance
4) Material mix variance

Q. 3 b) **Write short notes. (Any 2)** **(05)**
1 Advantages of budgetary control
2 Types of cost Audit
3 Variance analysis
4 Features of target costing

Q. 4 a) Calculate 1) Break Even Point and ii) Margin of Safety form the following information given below **(15)**

Sales	Rs. 1, 50,000
Variable Costs	Rs. 1, 20,000
Fixed Costs	Rs. 15,000

OR

Q.4 b) From the following information, compute
(a) Break Even Point (b) Margin of safety

Sales	:	1,50,000
Variable cost	:	1,20,000
Fixed cost	:	15,000