

**Subject : Cost & Management Accounting**

Day : Tuesday  
Date : 07/06/2016



Time : 10.00 AM TO 1.00 PM  
Max Marks : 80 Total Pages : 2

**N.B.**

- 1) Answer **ANY FIVE** questions from each **Section-I** and **ANY TWO** questions from **Section-II**
- 2) Answer to both the section should be written in **SAME** answer book.
- 3) Figures to the right indicate **FULL** marks.

**SECTION-I**

- Q.1** Define cost Accounting. Discuss the nature and scope of cost Accounting. **(10)**
- Q.2** Define cost. Discuss the classification of cost. **(10)**
- Q.3** Define 'Budget' and 'Budgetary control'. Discuss the advantages and limitations of budgetary control in an organization. **(10)**
- Q.4** Explain concept of Marginal Costing. What are the characteristics and advantages of marginal costing? **(10)**
- Q.5** What is cost variance? Explain the material variance in detail. **(10)**
- Q.6** Describe briefly the main features of process costing. Name the industries where process costing can be applied. Also compare process costing with job costing. **(10)**
- Q.7** Write short notes on **Any Two** of the following: **(10)**
- a) Normal loss and Abnormal loss
  - b) Labour variance
  - c) Absorption costing

**SECTION-II**

- Q.8** The following information is received from the books of M/s. XYZ company for the quarter ending 31 March 2014 **(15)**

Particulars	Rs.
Stock of materials 31-3-2014	75,000
Purchases of materials	7,95,000
Stock of materials 1-1-2014	1,05,000
Travelling expenses	5,100
Carriage inwards	8,290
Carriage outwards	9,150
Labour welfare expenses	14,200
Depreciation on plant	18,000
Factory rent	11,200
Office rent	29,100
Bad debts	9,000
Productive wages	2,27,000
Traveller's salaries and commission	9,000
Expenses regarding purchase of material	4,500
Fuel, gas and water	8,700
Managers salary (he devotes 2\3 <sup>rd</sup> of his time to factory)	18,000
Air-conditioned charges of office	9,000
Out standing productive wages	33,000
Sales	14,29,540

Prepare cost sheet showing: a) Prime Cost b) Works Cost c) Cost of production d) Total cost

P.T.O

**Q.9** From the following information , find out: **(15)**

- i) P/V Ratio
- ii) BEP (Sales)
- iii) Profit when Sales are RS. 1,20,000
- iv) Sales required to earn a Profit of Rs. 60,000

	<b>Rs.</b>
Fixed cost per unit	40,000
Variable Cost per unit	2
Sales	2,00,000
Selling Price per unit	10

**Q.10** Form the following information calculate **(15)**

- i) Material Cost Variance
- ii) Material Price Variance
- iii) Material Usage Variance

Material	Standard Mix	Actual Mix
X	70kgs @ Rs. 2per kg	60kgs@ Rs. 2per kg
Y	30kgs @ Rs.4 per kg	50kgs@ Rs. 5 per kg

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