

Total No. of Questions : 4]

SEAT No. :

P3001

[Total No. of Pages : 2

[5801]-622

T.Y.B. Com.

**366(e) : COST & WORKS ACCOUNTING
(2019 CBCS Pattern) (Semester -VI)**

Time : 2½ Hours]

[Max. Marks : 50

Instructions to the candidates:

- 1) *Figures to the right indicate full marks.*
- 2) *All questions are compulsory.*

Q1) a) Fill in the blanks (Attempt any 5) [5]

- i) Standard costing is necessary for _____ industry to quote a price and choose a profitable job.
a) Process b) Job c) Contract
- ii) Pricing decisions are made on the fundamental principle of _____ costing.
a) Standard b) Uniform c) Marginal
- iii) CAS-6 stands for _____.
a) Material cost
b) Employee cost
c) Overheads
- iv) The basic purpose of cost Audit is to establish the accuracy of _____ Accounts.
a) Financial b) Cost c) Management
- v) Efficiency Audit & proprietary Audit are parts of _____ Audit.
a) Cost b) Financial c) Management
- vi) Labour Rate variance [LRV]=_____.
a) $(SQ \times SP) - (AQ \times AP)$
b) $(SR - AR) \times AH$
c) $(SQ - AQ) \times SP$

b) Match the following. [5]

Group A	Group B
1) Financial Audit	a) Detail investigation of cost Records
2) Target costing	b) Maximum efficiency
3) Agricultural sector	c) Origin in Japan
4) Cost Investigation	d) Compulsory under Company Act
5) Ideal standards	e) Primary sector of livelihood in India

P.T.O.

Q2) Write short notes on the following (any 2).

[10]

- a) Limitations of standard costing.
- b) Objectives of target costing.
- c) CAS-7.
- d) Cost Auditor.

Q3) a) From the following cost data made available by Plasto Limited, compute the following material. [8]

Variances:

- i) Material cost variance.
- ii) Material price variance.
- iii) Material Usage variance.
- iv) Also verify your results.

Material	Standard quantity (Units)	Standard Price (Rs.)	Actual Quantity (Units)	Actual Price (Rs.)
A	40	10	20	35
B	<u>20</u>	20	<u>30</u>	20
	60		50	

b) From the following details, calculate:

[7]

- i) Labour cost variance.
- ii) Labour rate variance.
- iii) Labour efficiency variance.
- iv) Also verify your results.

Workers	Standard Hours	Standard Rate (Rs.)	Actual Hours	Actual Rate (Rs.)
1) Skilled	30	5.00	32	5.00
2) Unskilled	<u>40</u>	4.00	<u>32</u>	4.25
	70		64	

Q4) a) Aspro Limited, produces and sells 500 units per year at a market price of Rs. 20 per unit with a variable cost of Rs. 12 per unit and fixed overheads of Rs. 1000 p.a. The company management has proposed to reduce its selling price by 20 % under normal conditions

You are required to calculate the additional sales required to earn the same profit made earlier. [8]

b) Write the difference between cost Audit and Financial Audit. [7]

