

Total No. of Questions : 4]

SEAT No. :

P-1840

[Total No. of Pages : 4

[6032]-622

T.Y. B.Com.

366(e) : COST & WORKS ACCOUNTING - III

Techniques of Cost Accounting and Cost Audit

(2019 Pattern) (Semester - VI) (CBCS)

Time : 2½ Hours]

[Max. Marks : 50

Instructions to the candidates:

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

Q1) A) Fill in the blanks (any five)

[5]

- a) _____ may be defined as the difference between Standard Cost and Actual Cost
 - i) Variance
 - ii) Budgetary Control
 - iii) Marginal Costing
- b) Target Costing = Selling Price - (_____)
 - i) Cost
 - ii) Profit Margin
 - iii) Revenue
- c) Which of the following method of pricing is popular in wholesale and retail trades
 - i) Target Pricing
 - ii) Full Cost Pricing
 - iii) Skimming

P.T.O.

- d) _____ Standard deals with the principles and methods of determining the Material Cost.
- i) CAS-6
 - ii) CAS-7
 - iii) CAS-5
- e) Which of the following section of companies Act 2013 deals with maintenance of costing records
- i) Section 140
 - ii) Section 138
 - iii) Section 148
- f) Cost Auditor is appointed for _____ year
- i) Two
 - ii) Three
 - iii) One

B) Match the pairs

[5]

Group A		Group B	
A	XBRL	I	Always Unfavourable
B	Verification of the correctness of cost accounts.	II	Target Cost
C	Standard established for limited period	III	Extensible Business Reporting Language
D	Idle time variance	IV	Current Standard
E	A product cost estimate derived from a competitive market price	V	Cost Audit

Q2) Write Short Notes (any two):

[10]

- a) Cost Auditors Rights and Duties
- b) CAS 6
- c) Importance of Target Costing
- d) Cost Management for IT sector

Q3) a) From the following information you are required to Calculate [8]

- a) Material Cost variance,
- b) Material Price Variance,
- c) Material Quantity Variance
- d) Verify your answer

Material	Standard			Actual		
	Qty	Rate	Amount	Qty	Rate	Amount
A	60	20	1200	75	22	1650
B	40	10	400	30	08	240
Total	100		1600	105		1890

b) Using the following cost data, calculate [7]

- i) Labour Cost Variance
- ii) Labour Rate Variance
- iii) Labour Efficiency
- iv) Idle Time Variance

Standard Hours 1,600

Standard Rate per hour 1.50

Actual Rate 2.00

Actual Hours 1,500

(out of which hours not worked due to abnormality hours)

- Q4) a)** Bingo Ltd. Bombay budgets for a production of 1,50,000 units with variable cost of Rs. 14 p.u. and a fixed cost of Rs. 2 p.u. (3,00,000 in total) The company has decided to fix up its turnover price to get a profit 25% on cost price. [8]

If a company has decided to reduce its selling price by 10% how does the revised price affect the Profit/Volume Ratio and Break-Even Point.

- b) What do you mean by Cost Audit? Explain scope and objectives of Cost Audit. [7]

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