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Total Number of Pages : 02

IMBA
16IMN305

3rd Semester Regular/Back Examination 2019-20

COST ACCOUNTING

BRANCH : IMBA

Max Marks : 100

Time : 3 Hours

Q.CODE : HRB844

Answer Question No.1 (Part-1) which is compulsory, any EIGHT from Part-II and any TWO from Part-III.

The figures in the right hand margin indicate marks.

Part-I

Q1 Only Short Answer Type Questions (Answer All-10) (2 x 10)

- a) Give two examples of Variable cost.
- b) What is Break Even Chart?
- c) What is Uniform Costing?
- d) Give two examples of Office Overhead.
- e) What do you mean by master Budget?
- f) What do you mean by Marginal Costing?
- g) How do you compute Margin of Safety?
- h) What is the formula for computing Sales Variance?
- i) How do you compute Factory Cost, State
- j) Distinguish between Contribution and Profit.

Part-II

Q2 Only Focused-Short Answer Type Questions- (Answer Any Eight out of Twelve) (6 x 8)

- a) What is Zero based Budgeting?
- b) Discuss Material Variances.
- c) How do you compute profit on incomplete contracts?
- d) Distinguish between Cost Reduction and Cost Control.
- e) What do you mean by Inter Process Profit?
- f) Distinguish between Job costing and Contract Costing.
- g) What is meant by Absorption of Overhead?
- h) What do you mean by Labour Turn Over?
- i) How do you compute Labour Hour Rate?
- j) Distinguish between Joint Product and Byproduct.
- k) Distinguish between Cost Centre and Profit Centre.
- l) Find breakeven point from the following
Fixed Cost – Rs 500000
Variable Cost Rs 25 per unit
Selling Price Rs 50 per unit

Part-III

Only Long Answer Type Questions (Answer Any Two out of Four)

Q3 Describe briefly the main features of Process Costing. Also compare Process Costing with Job Costing. (16)

Q4 From the following particulars calculate (i) Contribution (ii) P/V Ratio (iii) Break Even Point in units and in Rupees (iv) What will be the selling price per unit if the Break Even Point is brought down to 25000 units? (16)

Fixed Expenses	Rs 1,50,000
Variable Cost	Rs 10
Selling Price per unit	Rs 15

Q5 A product passes through two distinct processes P, Q and thereafter to finished stock. You are required to prepare the process accounts from the information given below. (16)

Process P Process Q

Material Consumed	Rs 25,000	Rs 20,000
Direct Labour	Rs 15,000	Rs 10,000
Manufacturing Expenses	Rs 5,000	Rs 4,000
Input in process (units)	10,000	-
Input in process (Value)	Rs 10,000	
Output in units	9400	8300
-		
Normal Loss (% of output)	5%	10%
Value of normal wastage (per 100 units)	Rs 8	Rs 10

Q6 a) Distinguish between Standard Costing and Budgetary Control (8)

b) Explain the term Variance and distinguish between controllable and uncontrollable variance (8)

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IMBA

16IMN305

3rd Semester Regular Examination 2018-19

COST ACCOUNTING

BRANCH : IMBA

Time : 3 Hours

Max Marks : 100

Q.CODE : E472

Answer Question No.1 (Part-1) which is compulsory, any EIGHT from Part-II and any TWO from Part-III.

The figures in the right hand margin indicate marks.

Part- I

Q1 Short Answer Type Questions (Answer All-10)

(2 x 10)

- What do you mean by cost centre?
- State two advantages of standard costing.
- How do you calculate sales variance?
- Give appropriate cost units: Sugar, Petrol, Tea and Egg.
- Give examples of two industries where process costing is adopted.
- Give two examples each of fixed cost and variable cost.
- What do you mean by Master Budget?
- What is Margin of Safety?
- Give the meaning of Break Even Point.
- What do you mean by Uniform Costing?

Part- II

Q2 Focused-Short Answer Type Questions- (Answer Any Eight out of Twelve)

(6 x 8)

- Differentiate between Cost Reduction and Cost Control.
- What do you understand by Service Costing?
- What is apportionment of overhead?
- What is interprocess profit?
- Distinguish between Budgetary control and standard costing.
- What do you mean by Activity Based Costing?
- What do you mean by Machine hour Rate?
- What is Labour Turnover?>
- Draw a sample Cost Sheet with numerical figures.
- Explain Halsey Premium Plan with numerical example.
- What do you mean by FIFO?
- How do you treat Abnormal Loss in Process Costing?

Registration No:

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IMBA
16IMN305

3rd Semester Regular Examination 2017-18

COST ACCOUNTING

BRANCH: IMBA

Time: 3 Hours

Max Marks: 100

Q.CODE: B1038

Answer Question No.1 and 2 which are compulsory and any four from the rest.
The figures in the right hand margin indicate marks.

Q1 Answer the following questions :

(2 x 10)

- What is a Profit Centre?
- What is labour turnover?
- What do you mean by flexible costs?
- Which industries use job costing and which process costing?
- What are the purposes of computing variance?
- What are the basic elements of costs?
- What do you mean by ZBB?
- Why is standard costing better than historical costing?
- What are the methods of apportionment of overhead?
- Distinguish between financial profit and costing profit.

Q2 Fill in the Blanks.

(2 x 10)

- Works on cost is otherwise known as ____.
- Under ____ method issue of materials is priced at the latest purchase price.
- Time and motion study is conducted by ____ dept.
- Warehouse expenses is an example of ____ overhead.
- When the amount of overhead absorbed is less than the amount of overhead incurred, it is known as ____ overhead.
- In cost accounts the stock is valued at ____ price.
- Profit on incomplete contract is termed as ____ profit.
- The cost unit in an electricity generating company is ____.
- A large oil refinery uses ____ method of costing.
- A large margin of safety indicates ____.

Q3 a) Explain in detail the elements of costs.

(7.5)

b) A factory produces 100 units of a commodity. The cost of production is as follows:

(7.5)

Materials: Rs 10,000; Wages Rs 5000; Direct Expenses Rs 1000.

Factory overheads are 125% on wages; and office overheads are 20% on works costs. Expected profit is 25% on sales.

Calculate the price to be fixed per unit.

- Q4** A company produces and markets industrial containers. Due to competition, the company proposes to reduce the selling price. If the present level of profit is to be maintained, indicate the number of units to be sold, if the proposed reduction in selling price is – (a) 5% (b) 10% and (c) 15%. The following additional information is available. (15)

	Rs.
Present Sales (30,000 Unit)	3,00,000
Variable Cost	1,80,000
Fixed Cost	70,000
Net Profit	50,000

- Q5** a) How is Contract costing different from Job Costing? (7.5)
 b) Prepare Contract Account on 31.12.2006 from the following data : (7.5)

Contract price	Rs 12,00,000
Direct materials issued	Rs 3,25,000
Direct labour	Rs 4,00,000
Plant installed at cost	Rs 2,50,000
Office expenses	Rs 75,000
Direct expenses	Rs 1,00,000
Work certified by architect	Rs 10,50,000
Cost of work not certified	Rs 50,000
Value of plan as on 31.12.2006	Rs 2,00,000
Materials at site on 31.12.2006	Rs 25,000
Cash received from contractee	Rs 9,45,000

You are informed that it is the practice of the contractor to take credit for 60% of profit earned on the contracts in progress after taking into account the value of the work certified for payment, by architect.

- Q6** a) State the benefits of budgetary control. (7.5)
 b) Discuss the different types of budgets a manufacturing organization prepares. (7.5)

- Q7** The standard cost of a chemical item is as follows : (15)

Material A; 50 tons at Rs 5.00 per ton
 Material B; 40 tons at Rs 15.00 per ton

The actual Mixture:

Material A; 100 tons at Rs 6.00 per ton
 Material B; 80 tons at Rs 7.00 per ton

Calculate the following variance.

- i. Material Price Variance.
- ii. Material Usage Variance.
- iii. Material Mix Variance.
- iv. Material Yield Variance.

- Q8** Write short notes on ANY THREE : (5x3)

- i. Flexible Budget.
- ii. Allocation of Cost.
- iii. Joint Product & By product.
- iv. Cost Reduction