

TILAK MAHARASHTRA VIDYAPEETH, PUNE
BACHELOR OF COMMERCE (B.COM.)
EXAMINATION- MAY- 2025
FIFTH SEMESTER

Sub.: Cost and Work Accounting - III (BCOM19-304C / BCWA-503)

Date: 16/05/2025

Total Marks: 60

Time: 10.00 am to 12.30 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. Cost variance is the difference between -----
 - a) Standard cost and actual cost
 - b) standard cost and variable cost
 - c) fixed cost and marginal cost
 - d) None of these
2. Labour cost variance = (standard hours *standard rate) – (-----* Actual rate)
 - a) Total cost
 - b) variable cost
 - c) Actual hours
 - d) Idle time
3. Sales minus ----- = contribution
 - a) variable cost
 - b) Profit
 - c) fixed cost
 - d) Rigid cost
4. Budget is prepared -----
 - a) in advance for special period
 - b) for management
 - c) after a specified period
 - d) for cost control
5. ----- is a part of comprehensive strategic profit management system
 - a) Target costing
 - b) Standard costing
 - c) Marginal costing
 - d) Process costing
6. A ----- System facilitates delegation of authority
 - a) Budgetary control
 - b) Planning
 - c) Marginal costing
 - d) Co-ordination
7. ----- are predetermined cost of a product under present or anticipated future condition.
 - a) Standard cost
 - b) Historical cost
 - c) Present cost
 - d) None of this

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

(5)

- 1 Contribution is the difference between the selling price and fixed cost.
- 2 A technique of standard costing can be operated with marginal costing
- 3 Small scale industries are subject to cost audit
- 4 Marginal costing is basically used for internal reporting.
- 5 A cash budget is a part of financial budget
- 6 Sales budget is considered as a foundation of budgetary control system
- 7 P/V ratio can be improved by selling more profitable products

- Q. 2 a)** Following are the details of PQR Ltd. You are required to prepare production budget for 6 months ending on 31st March 2022 for a factory producing four products from the following information. **(20)**

Product	Estimated stock on 30 th September 2022 (in units)	Estimated sales during September 2021 to march 2022 (in units)	Desired closing stock on 31 st march 2022 (in units)
P	7000	25000	9000
Q	9000	33000	11000
R	10000	40000	8000
S	13000	47000	7000

OR

- b)** What is variance analysis? Explain in brief the different types of variances?

- Q. 3 a)** From the following information compute **(10)**

- 1) P/V ratio
 - 2) Fixed cost
 - 3) BEP sales
 - 4) Sales volume to earn a profit of Rs- 1,20,000
- Sales - Rs- 1,50,000
Profit - Rs- 15,000
Variable cost - 80% of sales turnover

- b) Write short notes. (Any 2)** **(05)**

- 1 Margin of Safety
- 2 Features of Standard costing
- 3 Define Uniform costing.
- 4 Budget and Budgeting

- Q. 4 a)** The sales turnover and profits of Suknya Ltd. are as under: **(15)**

Period	Sales (Rs)	Profit (Rs)
I	1,20,000	9,000
II	1,40,000	13,000

You are required to calculate:-

- 1) P/V ratio
- 2) Fixed cost
- 3) Break- even point
- 4) Sales to earn a profit of Rs- 20,000
- 5) Profit when sales Rs- 1,00,000

OR

- b)** Describe the Advantages and Limitations of Uniform Costing Methods?