

**WEST BENGAL STATE UNIVERSITY**

B.Com. Honours 4th Semester Examination, 2022

FACACOR10T-B.Com. (CC10)**COST AND MANAGEMENT ACCOUNTING-II**

Time Allotted: 2 Hours

Full Marks: 50

*The figures in the margin indicate full marks.**Candidates should answer in their own words and adhere to the word limit as practicable.***GROUP-A****Answer any two questions from the following**

10×2 = 20

1. What do you mean by Joint Products? Distinguish between Joint Products and By-products. 2+8
2. Discuss the sequential steps of budgeting. 10
3. Find out different Labour Variances from the following information: 10
 Standard data: Output – 1000 units, Rate of payment – ₹6 per unit,
 Time allowed: 50 hours.
 Actual data: Output – 1200 units, Wages paid with bonus – ₹8,000,
 Time taken: 40 hours.
4. (i) Mention the limitations of budgeting. 4+6
 (ii) From the following particulars, determine Break Even Point (in sales value and in units):

Total sales	₹8,00,000
Total variable cost	₹4,80,000
Total fixed cost	₹1,80,000
Production and sales	20,000 units
5. Discuss the principles underlying at make or buy decision. 10
6. A factory is currently running at 50% capacity and producing 5,000 units @Rs. 90 per unit as per the following details: 10

Particulars	Amount (Rs.)
Materials	40 per unit
Labour	25 per unit
Factory overhead	15 per unit (Rs. 5 fixed)
Administrative overhead	10 per unit (Rs. 5 Fixed)

The current selling price is Rs. 100 per unit. At 80% working, the raw material cost per unit increases by 5% and selling price per unit falls by 5%. Calculate profit of the company at 80% working.

GROUP-B**Answer any two questions from the following****15×2 = 30**

7. Distinguish between Traditional Absorption Costing and Activity Based Costing. 15
8. Prepare a Cash Budget for the period January to March from the following information: 15

	Sales(₹)	Purchase (₹)	Wages(₹)
November	1,80,000	1,30,000	15,000
December	2,10,000	1,50,000	18,000
January	1,18,000	2,37,000	12,000
February	1,85,000	2,56,000	10,000
March	1,35,000	2,78,000	16,000

- (a) 50% of credit sales are realised in the month following the month of sales and balance after one month more.
- (b) Creditors are paid in the month following the month of supply.
- (c) Wages are paid $\frac{3}{4}$ th during the month and $\frac{1}{4}$ th during next month.
- (d) Cash and Bank balance on 1st January ₹30,000.
9. What do you mean by Standard Cost? Discuss the importance of Standard Costing. What are the limitations of Standard Costing? 3+8+4
10. The sales and profit for two years are given below: 15

Year	Sales(₹)	Profit(₹)
2020	1,50,000	20,000
2021	1,70,000	25,000

You are required to compute (i) P/V ratio, (ii) Break Even point, (iii) Sales required to reach a profit of ₹40,000, (iv) Profit made when sales are ₹2,50,000 and (v) Margin of safety at a profit of ₹37,500.

11. Graphically explain Break-Even Analysis with limitations. 12+3
12. Write short notes on (any **three**): 5×3 = 15
- (a) Flexible Budget
- (b) Zero Based Budgeting
- (c) Overhead Cost Variances
- (d) Cost Pool and Cost Driver
- (e) Continued or Shutdown decision.

N.B. : Students have to complete submission of their Answer Scripts through E-mail / Whatsapp to their own respective colleges on the same day / date of examination within 1 hour after end of exam. University / College authorities will not be held responsible for wrong submission (at in proper address). Students are strongly advised not to submit multiple copies of the same answer script.

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