QUESTION PAPERS

BRANCH: Bachelor of Commerce (Accounting & Finance)	SEM: VI
ATKT	APR-2026

Sr. No.	Subject	Available
1.	131U02C602 – Advanced Costing Techniques	
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BCAF Sem-VI AT KT

SOMAIYA VIDYAVIHAR UNIVERSITY

Semester End March 2024 Examination: End Semester Examination April 2024 (UG Programmes)		
Programme code: 02 **Programme:** Accounting and Finance	**Class:** TYBAF	**Semester:** VI
Name of the Constituent College: S K Somaiya College	**Name of the Department** Accounting and Finance	
Course Code: 131U02C602	**Name of the Course: Advanced Costing Techniques**	
Duration: 2 Hrs.	**Maximum Marks: 60**	

Instructions:
1) All Questions are compulsory.
2) Each Question carries 15 marks.
3) **Figures** to the **right** indicate **marks** assigned to the questions.
4) **Working notes** should form **part of your answer.**

Q.No.		Max. Marks	Co Attainmen
Q.1	ABC Ltd is a multiproduct company, manufacturing three products A, B and C. The Budgeted cost and production for the year ending 31st March are as follows:	(15)	CO5

	A	B	C
Production Quantity (Units)	4000	3000	1600
Resources per unit:			
- Direct Material (Kg.)	4	6	3
- Direct Labour (Minutes)	30	45	60

The Budgeted direct labour rate was ₹ 10 per hour and the budgeted material cost ₹ 2 per kg.
Production overheads were budgeted at ₹ 99,450 and were absorbed to products using the direct labour rate. ABC Ltd followed the absorption Costing System.

ABC Ltd is now considering to adopt an Activity Based Costing system. The following additional information is made available for this purpose.
1. Budgeted Overheads were analysed into the following:

	₹
Material Handling	29100
Storage Costs	31200
Electricity	39150

2. The Cost drivers identified were as follows:

Material Handling	Weight of Material handled
Storage Costs	Number of Batches of material
Electricity	Number of Machine Operation

3. Data on Cost Drivers was as follows:

	A	B	C
For Complete Production:			
Batches of material	10	5	15
Per unit of Production:			
Number of Machine Operations	6	3	2

You are requested to:
1) Prepare a Statement for management showing the unit costs and total costs of each product using the absorption costing.

	2) Prepare the statement for management showing the product cost of each product using the ABC approach.		
	OR		
Q.1.	A department company, Gunjal stores attains a sales of ₹12,00,000 at 80% of its Normal capacity and as expenses are given below:	**(15)**	CO1

Particulars	₹	**Particulars**	₹
Administration Cost:		**Selling Cost:**	
Office Salaries	1,80,000	Salaries	8% of Sales
General Expenses	2% of sales	Travelling Expenses	2% of Sales
Depreciation	15,000	Sales Office Expenses	1% of Sales
Rent and Taxes	17,500	General Expenses	1% of Sales
Distribution Cost:			
Wages	30,000		
Rent	1% of Sales		
Office Expenses	4% of Sales		

Draw up Flexible Budget for Administration, Selling and Distribution Costs Budget Operating 90%, 100% and 110% of Capacity.

Q.2.	The Jaywant Battery Co. furnishes you with the following income information:	**(15)**	CO2

	2023	
	First Half Year	**Second Half Year**
Sales	8,10,000	10,26,000
Profit Earned	21,600	64,800

From the above, you are asked to compute the following assumption that the fixed cost remains the same in both periods.

1) Profit Volume Ratio 2) Fixed Cost 3) Break-even Point
4) Amount of Profit or loss when sales are ₹ 6,48,000
5) Amount of Sales required to earn a profit of ₹1,08,000

	OR		
Q.2.	Following information is available:	**(15)**	CO3

	Product 'X' ₹ Per Unit	Product 'Y' ₹ Per Unit
Direct Material	80	100
Direct Wages	40	50
Variable Overheads	30	50
Selling Price	200	275

Total Fixed overheads ₹20,000/-
From the following alternatives which sales mixed will bring higher profits:
(a) 250 Units of 'X' and 150 Units of 'Y'.
(b) 150 Units of 'X' and 250 Units of 'Y'.
(c) 400 Units of 'X' only.
(d) 400 Units of 'Y' only.
(e) 200 Units of 'X' and 200 Units of 'Y'.
Support your answer with working

Q.3.	From the following data, compute the material cost variance:	**(15)**	CO4

	Standard		**Actual**	
Product	**Units**	**Rate ₹**	**Units**	**Rates ₹**
A	3,500	10	3,700	12
B	1,500	21	1,650	20

	C	1,000	33	1,250	36			
	OR							
Q.3.	In department 'A' of a plant the following data are submitted for the week ended 31st March, 2023. Standard Output for 40 hours per week 1,400 units Budgeted Fixed Overheads ₹ 1,400 Actual output 1,200 units Actual Hours worked 32 hours Actual fixed Overheads ₹ 1,500 You are required to calculate Fixed Overhead Variances						**(15)**	CO4
Q.4.	Answer the following:						**(15)**	
(a)	Explain the disadvantages of Uniform Costing.						(03)	CO5
(b)	A customer produces and sells 100 units of Product A per month at ₹ 20. Variable cost per unit is ₹ 12.00 and Fixed Cost are ₹ 300 per month. It is proposed to reduce the selling price by 20%. Find the additional sales required to earn the same profit as before.						(03)	CO2
(c)	A Company manufactures two product X and Y. The contribution per unit is ₹40 and ₹30 respectively. Product X requires 10 hours per unit and Product Y 6 hours per unit. If material requirement is the limiting factor and Product X requires 16 kg per unit and Product Y requires 15 kg per unit. Find the most profitable product?						(03)	CO3
(d)	From the following Information:						(03)	CO4
		Budgeted		**Actual**				
	Product	**Units**	**Rate ₹**	**Units**	**Rates ₹**			
	X	4,500	10	4,800	11			
	Calculate Material Price Variance							
(e)	Explain the Benefits of Interfirm Comparison.						(03)	CO5