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# GURUDAS COLLEGE

**(GOVT.SPONSORED)**

**1/1 SUREN SARKAR ROAD, NARIKELDANGA, KOLKATA-700 054**

**Date:**28.11.2020

## Internal Examination

**B.Com Sem IV(Hons.)**

**Subject: Cost and Management Accounting II**

**Paper:CC4.2Ch**

**Full Marks: 50**

**Time: 1hr 30 mins.**

**Answer all the questions:**

(10X5=50)

1. Calculate Contribution and P/V ratio

Sales : ₹ 2,00,000 ; Fixed Cost: ₹ 20,000 ; Profit ₹50,000

- a. ₹60,000; 50%  
b. ₹ 70,000; 35%  
c. ₹75,000; 65%  
d. ₹50,000;50%

2. The main objective of Budgetary control is

- a. To compel planning
- b. To motivate employees
- c. To indicate excess or shortages of cash.
- d. To eliminate a sound basis of cash position.

3. Calculate i. Materials Cost Variance

Standard Rate of Raw Materials per unit	₹ 50
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Standard Quantity of Raw Materials	600 units
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Actual Rate of Raw Materials per unit ₹ 40

Actual Quantity of Raw Materials 1,000 units

- a. ₹ 10,000 (A)                      b. ₹ 10,000 (F)  
c. ₹ 20,000 (F)                      d. ₹ 20,000 (A)

4. Identify the formula of Margin of Safety:

- Contribution/PV Ratio
- Profit/PV Ratio
- Break Even Sales- Fixed Cost
- Total Sales- Fixed Cost

5. Calculate the amount of profit:

Given: Selling Price of Product X ₹ 25 and of Product Y ₹20

Variable cost of Product X ₹ 10 and of Product Y ₹ 15

Total Fixed Cost ₹ 2,000

Sales mix:

250 units of X and 300 units of Y

- |            |            |
|------------|------------|
| a. ₹ 3,750 | b. ₹ 3,250 |
| c. ₹ 4,250 | d. ₹ 3,000 |

6. Match the following on the basis of ABC:

Expenses

- a. Volume related activity cost
- b. Set-up related cost
- c. Purchase related cost

Cost Driver

- i. Total number of set-ups
- ii. No. of Orders
- iii. Total machine hours

Options:

- A: (a-i); (b-ii); (c-iii)
- B: (a-ii); (b-iii); (c-i)
- C: (a-iii); (b-ii); (c-i)
- D: None of the above

7. Calculate the amount of Direct Labour and Depreciation for 2,000 units

Given for 1,000 units :

Direct Labour(Variable) : ₹ 40,000

Depreciation ( Fixed) : ₹ 10,000

- |                     |                       |
|---------------------|-----------------------|
| a. ₹60,000; ₹10,000 | b. ₹ 80,000; ₹ 10,000 |
| c. ₹50,000; ₹10,000 | d. ₹55,000; ₹ 20,000  |

8. Which is the correct formula of Material Cost Variance :

- a. Standard Rate x Standard Quantity- Actual Rate x Standard Quantity
- b. Standard Rate x Standard Quantity- Standard Rate x Actual Quantity
- c. Standard Rate x Standard Quantity- Actual Rate x Actual Quantity
- d. Actual Rate x Actual Quantity- Standard Rate x Standard Quantity

9. Calculate Contribution

Break even point = ₹ 1,00,000

Fixed Cost = ₹ 25,000

Sales = ₹ 2,00,000

- |             |             |
|-------------|-------------|
| a. ₹ 75,000 | b. ₹ 50,000 |
| c. ₹ 45,000 | d. ₹ 60,000 |

10. Under Activity Based Costing , to make activities better and to make wiser economic decisions, managers need to identify
- a. Cause effect relationship
  - b. Only the case.
  - c. Traditional costing
  - d. Production and service cost.