

**Dr. Babasaheb Ambedkar Open University**  
**Term End Exam August – 2010**

Course Code : DACA-04 Roll No. \_\_\_\_\_  
Subject : Variance Analysis and other Aspects of cost Accounting  
Date : 03-08-2010 Marks : 70  
Time : 03:00 to 06:00

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Note : All questions carry equal marks.

Que 1: AB Ltd. has adopted standard costing furnished the following information materials for 70 kg finished products 100 kg price or materials Rs. 1 per kg.

Actual Output                    2100kg  
Material used                    2800kg  
Cost of Material                Rs. 2520

**Calculate all material variance** (14)

OR

Que 1: the standard cost of a certain chemical mixture for ABC Ltd. is (14)

35 % Material 'A' at Rs. 25 per kg.  
65% Material 'B' at Rs. 36 per kg.

A standard loss of 5% is expected in production

125 kg of material A at Rs. 27 per kg.  
275 kg of material B at Rs. 34 per kg.

The actual output was 365 kg.

**Calculate all material variance.**

Que 2 : The following information calculate all fixed overhead variance. (14)

	<b>Budget</b>	<b>Actual</b>
Fixed overhead for April (Rs.)	10000	12000
Production in April (units)	2000	2100
Standard time per unit ( Hours)	10	
Actual hours worked in April		22000

OR

Que 2: The Following information is obtained from the cost accounts of A Ltd.  
calculate fixed overhead on the basis of this information. (14)

(P.T.O)

	<b>Standard</b>	<b>Actual</b>
Hours during a month	3000 Hours	3270 Hours
Days in each month	25 days	27 days
Monthly fixed overhead	Rs. 1500	Rs. 1600
Monthly production	2000 Units	2200 Units

Que 3 : Figures of sales by Raj Ltd. in march 2010 are as follow. (14)

	<b>Standard</b>			<b>Actual</b>		
	Quantity (units)	Price (Rs.)	Amount (Rs.)	Quantity (units)	Price (Rs.)	Amount (Rs.)
A	800	3	2400	750	3.50	2625
B	1200	5	6000	900	4.00	3600
	2000		8400	1650		6225

Calculate the Sales variance

OR

Que 3 : The data regarding direct wages of Amas Ltd. for march 2010 is as follows. (14)

Gross Direct Wages	Rs. 65000
Standard hours produced	5400
Standard rate per hours	Rs. 11
Actual hours worked	5200

Calculate the necessary labour variance.

Que 4 : Write a short note on sales variance. (14)

OR

Que 4 : State the position for disposal of variance. (14)

(P.T.O)

Que 5 : State the procedure to reconcile budgeted profit with actual profits. (14)

OR

Que 5: Calculate

- (1) Material cost variance.
- (2) Material price variance.
- (3) Material usage variance.

From following data Shyam Ltd.

Material	Standard		Actual	
	Quantity (kg)	Price (Rs)	Quantity (kg)	Price (Rs)
X	600	8	720	7.50
Y	900	10	780	10.20
	1500		1500	

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