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Total No. of Pages : 02

Total No. of Questions : 07

B.Com.(P) (2011 & onwards) (Sem.-5)

COST ACCOUNTING – II

Subject Code : BCOP-501

Paper ID : [B1150]

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTION TO CANDIDATES :

1. **SECTION-A** is **COMPULSORY** consisting of **TEN** questions carrying **TWO** marks each.
2. **SECTION-B** contains **SIX** questions carrying **TEN** marks each and a student has to attempt any **FOUR** questions.

SECTION-A

1. Write briefly :

1. What is strategic total cost management?
 2. What are the factors involved in setting target costs?
 3. What do you mean by 'product life cycle'?
 4. What do you mean by JIT purchasing?
 5. State the limitations of implementing a Balance Scorecard.
 6. Make a comparison between Kaizen costing and Target costing.
 7. What do you mean by Backflush Costing?
 8. Discuss the concept of Strategic Total Cost Management.
 9. What are the behavioural consequences of using Cost Accounting Controls?
 10. What do you mean by Cost Accounting Record Rules?
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SECTION-B

2. State the tools and techniques used for Cost Reduction and Cost Control.
3. MacLean Ltd. currently produces only 10,000 units of Product X which is selling at Rs. 80 per unit. The cost of producing Product X is Rs. 75 per unit. Production can be increased to 12,500 units by utilising idle facilities provided additional output can be sold in the market. On the basis of market research, the company introduced target costing. Cost of product X can be brought down substantially through new design for the product and changes in the process of manufacture. The estimates for the next year are :

Target selling price Rs. 70 per unit

Target sales volume 12,000 units

Target profit margin 10% on sales

Required :

- a) Calculate target cost per unit and target cost for the expected volume;
 - b) Compare existing profit with target profit.
4. What do you mean by quality cost reporting? What is the purpose of interim quality standards?
 5. What is a Balanced Scorecard? Mention the key factors involved in a Balance Scorecard.
 6. Discuss the procedure involved in conducting a cost audit.
 7. Discuss the concept of Learning Curves and their use in predicting product/service costs.