

UCCC & SPBCBA & SDHGBCA & IT
S.Y.B.com Sem. – 4
Advanced Accounting and Auditing Paper – 3
Standard Costing:
Practice Question-1

1. From the following data, calculate material variances:

Details	Standard	Actual
Quantity	200 Kg.	240 Kg.
Price	Rs. 2 per kg.	Rs. 1.75 per kg

VNSGU APRIL 2014

2. From the standard cost card, it is revealed that 3 kgs. of material is needed at Rs. 2 per kg to produce one unit of a product. During March, 2018 when 200 units were produced, 620 kgs. of materials were used at Rs. 1.80 per kg. Compute Material Variances.
3. Ajay Ltd. uses standard costing system . Figures of October 2018:
 For 60 kgs. standard production , required raw material is 90 kgs. Standard price per kg of raw material is Rs. 3, Actual production 20,000 kgs, Material consumed 25000 kgs and its value is Rs 50,000. Find out-
- 1) Material Cost Variance
 - 2) Material Price Variance
 - 3) Material Usage Variance

VNSGU APRIL 2012

4. Data about standard mix and actual mix are as follows of a product:

Standard	Actual
A: 60 units, per unit Rs. 10	80 units, per unit Rs. 12
B: 90 units, per unit Rs. 20	60 units, per unit Rs. 25

Calculate:

- 1) Material Cost Variance
- 2) Material Price Variance
- 3) Material Usage Variance

VNSGU APRIL 2015

5. Standard cost for one unit of a product No. 285 is estimated as follows:

Labour 20 hours @ Rs. 8 per hour.

400 units were manufactured during the month of January, 2012 with the following labour costs:

Labour : Rs. 63,750 @ Rs. 8.5 per hour.
 Calculate Labour Variances.

VNSGU APRIL 2012

6. Information of Ajay Ltd. for the month of January, 2015 is as under:

Particulars	Standard	Actual
Number of workers employed	250	200
Average monthly wages per worker	Rs. 500	Rs. 600
Number of working days during the month	25	24
Production units during the month	20,000	24000

Calculate:

1. Labour Cost Variance
2. Labour Rate Variance
3. Labour Efficiency Variance

7.

(A) Compute the missing data indicated by the question mark in the following:

Particulars	A	B
Standard price per unit	Rs. 2.10	?
Actual price per unit	?	Rs. 5
Actual quantity (kg.)	1100	2200
Material Cost Variance	(100)	?
Material Price Variance	?	(2200)
Material Usage Variance	(210)	1200

(B) From the following data for September month, Calculate Labour Variances:

Particulars	Standard	Actual
Number of workers employed	300	250
Average monthly wages per worker	Rs. 500	Rs. 600

Number of working days during the month	25	24
Production units during the month	15000	14000

VNSGU APRIL 2017

8.

(A) Calculate from the following information:

1. Material Price Variance
2. Material Usage Variance
3. Material Cost Variance
 - Purchase of materials 3000 units
 - Cost of purchase of materials. Rs. 9000
 - For Production of one tonne standard quantity, material required is. 30 units
 - Standard price. Rs. 2.5 per unit
 - Opening Stock of materials. NIL
 - Closing stock of materials. 500 units
 - Actual production for a period. 80 tonnes

(B) Data about a company regarding labour cost for March 2015 are as under :

1. Total Direct Labour. Rs. 65000
2. Direct Standard Hours. 5400
3. Standard Labour Rate per hour. Rs. 11
4. Actual Hours paid. 5200

Calculate

1. Labour Cost Variance
2. Labour Rate Variance
3. Labour Efficiency Variance

VNSGU APRIL 2016

9.

Data about the standard cost of one unit of output in a factory is as follows:

Material	8 kg @ ₹ 50 per kg	₹ 400
Labour	50 hours @ ₹ 5 per kg	₹ 250
		<u>₹ 650</u>

Data about cost :

Actual Production : 100 unit

Material	780 kg @ ₹ 30 per kg	₹ 23,400
Labour	4,320 hours @ ₹ 5.10 per kg	₹ 22,032
		<u>₹ 45,432</u>

Calculate Material and Labour variances.

10.

The standard material cost for a normal mix of one-tonne chemicals based on:

Chemical	Usage	Price per kg
A	240 kg	6
B	400 kg	12
C	640 kg	10

During a month, 6.25 tonnes of chemicals are produced from:

Chemical	Consumption (tonne)	Cost (₹)
A	1.6	11,200
B	2.4	30,000
C	4.5	47,250

Calculate the Material Variance.