



**PAR-010-001502**

Seat No. \_\_\_\_\_

**B. B. A. (Sem. V) (CBCS) Examination**

**October / November - 2018**

**Managemant Accounting**

**Faculty Code : 010**

**Subject Code : 001502**

Time :  $2\frac{1}{2}$  Hours]

[Total Marks : 70

- 1 The following information relates to Jay Ltd. 14

Years	Sales in units	Profit(Rs.)
2016	600	-1200(Loss)
2017	800	8400(Profit)

**From the above mentioned information, calculate :**

- (1) Profit volume ratio.
- (2) Fixed cost.
- (3) Variable cost in the year 2016.
- (4) Break even point (in units)
- (5) Probable sales (in units) when the profit of Rs. 24,000.

**OR**

- 1 (a) Following particulars are available for a company. 7

Day	Sales	Profit
Monday & Tuesday	Rs. 2,00,000	Rs. 42,000

Sale and profit of Tuesday is Rs. 30,000 and Rs. 18,000 more than that of Monday respectively :

**Calculate :**

- (1) Break even point.
  - (2) If sales on Wednesday is Rs. 60,000 then what shall be the result?
- (b) Safety of Margin and Profit Volume Ratio of a company are 40% and 50% respectively; If the sales is Rs. 60,000 7

**Find out :**

- (1) Net Profit
- (2) Break even point

- 2 A multi product company provides the following costs and 14 output data for the last year :

**Produits**

Particulars	A	B	C	
Sales Mix	40%	35%	25%	
Selling Price(Rs.)	20	25	30	
Variable Cost (per unit Rs.)	10	15	18	
Total Fixed Cost				Rs. 1,50,000
Total Sales				Rs. 5,00,000

The company propose changes in sales. Estimated cost, selling price and sales volume are as follows

**Produits**

Particulars	A	B	C	
Sales Mix	50%	30%	20%	
Selling Price(Rs.)	20	25	36	
Variable Cost (per unit Rs.)	10	15	18	
Total Fixed Cost				Rs. 1,50,000
Total Sales				Rs. 5,00,000

Analyse the proposed change in sales and suggest what decision the company should take.

**OR**

- 2 A manufacture is thinking whether he should drop one 14 item from his product line and replace it with another. Below are given his present cost and output data :

Product	Selling price	Vari.Cost	%Share in Sales
A	80	60	20
B	100	70	50
C	160	100	30

Total fixed cost per year Rs. 50000  
Total sales in last year Rs. 2,00,000

The change is for dropping the product A in preference to another product M. In the event of this change being made the manufacturer forecast the following; cost and output data :

Product	Selling price	Vari.Cost	%Share in Sales
M	120	60	15
B	100	70	45
C	160	100	40

Total fixed cost per year Rs. 50000  
Total sales in last year Rs. 2,00,000

Should this proposal be accepted ?

- 3 The following particulars are available from the record of a manu. Company for two levels : 14

Particulars	60%	100%
Cost of direct material	9,000	15,000
Direct wages	6,000	15,000
Indirect wages	3,000	5,000
Repair and maintenance	6,500	9,500
Power and fuel	3,750	5,750
Rent	12,000	12,000
Depreciation	10,000	10,000
Insurance	6,000	6,000
Admin.Overheads	10,000	14,000
Selling overheads	6,000	8,000

Total production at 100% capacity is 5,000 units  
Prepare a Flexible Budget at 70% and 90% capacity.

**OR**

- 3 Sale of Bharat Ltd. is Seasonal Cost consisted is as under 14 according to percentage of selling price.

Material	20%
Labour	10%
Factory overheads	20%
Depreciation	10%

Sales estimates are as follows :

Month (2015)	Sales (Rs.)
January	1,50,000
February	2,50,000
March	3,00,000
April	4,00,000
May	4,00,000
June	5,00,000
July	5,00,000

Additional details are :

- (1) 75% sale is credit sale while 25% is cash sale.
- (2) Material is purchased in previous month of its actual requirement and total purchase is on credit basis.
- (3) Time lag of payment :  
Credit sale : 2 months  
Credit purchase : 1 month  
Labour and factory overheads : 1/2 month.
- (4) Rs. 1,00,000 is paid towards administrative fixed expenses every month.

- (5) In May 2015, Rs. 25,000 will be paid for income tax.  
 (6) Bank and cash balance on 1-4-2015 will be Rs. 10,000.  
 Prepare cash budget for three months ending on 30-6-2015.

4 The Standard mix to produce a unit of product is as follows : 14  
Rs.

Material	X	60 units	@	Rs. 15 per unit	900
Material	Y	80 units	@	Rs. 20 per unit	1,600
Material	Z	100 units	@	Rs. 25 per unit	2,500
<b>240 units</b>					<b>5,000</b>

During the month of July, 10 units were actually produced and consumption was as under : Rs.

Material	X	640 units	@	Rs. 17.50 per unit	11,200
Material	Y	950 units	@	Rs. 18.00 per unit	17,100
Material	Z	870 units	@	Rs. 27.50 per unit	23,925
<b>2,460 units</b>					<b>52,225</b>

**Calculate :**

- (i) MCV (ii) MPV (iii) MUV and (iv) MYV.

**OR**

4 Data about labour employed in a factory to produce one unit of product "N" are as follow : 14

	Hour	Wage Rate	Payment
Skilled workers	10	3.00	30
Unskilled workers	16	1.00	16
Semi-skilled workers	8	1.50	12

Actual situation : actual production 200 units

	Hour	Wage Rate	Payment
Skilled workers	1800	4.00	7200
Unskilled workers	4000	0.90	3600
Semi-skilled workers	1680	1.50	2520

**Calculate :**

- (1) Labour cost variance
- (2) Labour rate variance
- (3) Labour efficiency variance
- (4) Labour Mix variance

5 Write short notes : (any two) 14

- (1) Define management accounting. Differentiate mgt. accounting and cost accounting
- (2) Importance & Limitations of management accounting.
- (3) The objectives of budgetary control
- (4) State the limitations of standard costing.
- (5) Tools & techniques of management accounting.