

CODE : FERMIUM

Oct 2008

Time : 2 Hrs.

Mgmt Acc.

Marks : 60

Instructions : 1] Solve all 4 questions after exercising internal option.

- Q.1 i) Define cost centre & cost unit. Give examples 03
ii) Explain the Functions of management Accounting 07
iii) Explain the functions of controller. 05

OR

- Q.1 i) Define cost and cost Accounting 03
ii) Explain the scope of Management Accounting. 07
iii) Explain the functions of Treasurer. 05

Q.2 Write short notes (any 3) Five marks each 05

- i) Variable costs
ii) Period Cost
iii) Controllable cost and non-controllable cost
iv) Indirect Costs.
v) Mixed costs.

OR

Q.2 Write short notes (any 3) Five marks each 05

- i) Fixed Cost
ii) Direct Cost
iii) Step variable cost
iv) Product cost
v) Explain cost sheet and uses of cost sheet.

Q.3 A) From the following information of Jupiter Ltd., you are required to calculate

- i) Contribution per unit
ii) Margin of safety
iii) sales to earn a profit of Rs. 1,20,000

DATA	a) Total Fixed Costs	Rs.90,000
	b) Total variable costs	Rs. 1,50,000
	c) Total sales	Rs. 2,50,000.
	d) Units sold	1,00,000

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P.T.O.2

CODE : FERMIUM**B)** A Factory Produced 75,000 units.

The Cost data is as follows :-

Particulars	Rs.
Direct materials	3,75,000
Direct Labour	3,00,000
variable overhead	1,50,000
Fixed overhead	3,00,000
	11,25,000

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The product is sold at Rs.20 per unit. The management proposes to increase the production by 15,000 units to export them to foreign markets. The export rate is expected to be Rs.10 per unit.

Advise the management whether it should increase production for export and the price to be quoted in foreign market.

OR

Q.3 i) What is Break even point? Explain & give formula. (Five marks each)

05

ii) What are uses of CVP Analysis?

iii) Distinguish between Absorption costing and marginal costing.

Q.4 A) Prepare a production budget of Sanika Ltd. for the financial year 2007-08

on the basis of following information.

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Products	Sales(units) (As per sales budget)	Estimated stock finished goods.	
		1 st April 2007	31 st March 2008
A	7,32,000	48,000	66,000
B	5,62,500	97,500	1,35,000
C	9,00,000	75,000	75,000
D	6,00,000	15,000	90,000

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B) Chaitanya Ltd. is manufacturing plastic boxes. The following cost data is given for the financial year 2007-08

Particulars	1st April	31st March 2008
	Rs.	Rs.
1. Raw materials		
opening stock	1,00,000	-
Purchases for the year	-	8,00,000
Closing stock.	-	90,000
2. Work in Progress		
Materials	20,000	30,000
Labour	24,000	28,000
Factory Expenses	12,000	14,000
3. Direct wages for the year	-	6,04,000
4. Manufacturing expenses for year	-	4,02,000
5. Office & Administration expenses for the year.	-	2,00,000
6. Sales & distribution expenses for year	-	2,00,000

Profit for the year is Rs. 5,50,000. You are required to prepare a cost sheet for the period

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OR

Q.4 Write short notes (Any 3)

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- i) Sales Budget
- ii) Capital expenditure budget
- iii) Requisites of budgetary control system
- iv) Variance Analysis.
- v) Material Usage Variance.
