

**JKXABV**

**TIME : 2 Hrs.**

**MARKS : 60**

**Instructions :**

Solve all questions after exercising internal option.

- Q.1**
- i) Define Management Accounting in detail. [5 marks each]
  - ii) Explain functions of controller in an organisation.
  - iii) Distinguish between Cost Accounting and Management Accounting.

**OR**

- i) Explain functions of Management Accounting. [5 Marks each]
- ii) Explain functions of Treasurer in an organisation.
- iii) What are controllable and non-controllable variables in planning ?  
Explain & give examples.

**Q.2 Write Short notes on the following :** [5 marks each]

i) Direct Cost	40,000	0.10,000	P
ii) Period Cost	81,250	4.08,750	Q
iii) Fixed Cost	62,500	7.50,000	R

**OR**

**Write short notes on the following :** [5 marks each]

- i) Variable Cost
- ii) Product Cost
- iii) Indirect Cost

**Q.3** i) Explain the term contribution. Give formulae for contribution. [5 Marks each]

- ii) What is Margin of safety ? Explain alongwith formule.
- iii) What is Breakeven point ? Explain and also give formule.

**OR**

**Q.3 A) Following information is given in respect of xylo Ltd.** [10]

- i) Sales for the year Rs. 80,00,000.
- ii) Variable cost for the year Rs. 40,00,000
- iii) Fixed cost for the year Rs. 8,00,000
- iv) Number of units manufactured during the year 4,00,000

You are required to calculate the following.

- i) Breakeven point (units)
- ii) Breakeven point (sales in Rs. )
- iii) P/V Ratio
- iv) Contribution
- v) Profit for the year

**B)** Explain the points considered while accepting a special bulk order or foreign market order under Marginal costing. [5]

**Q.4 A)** Prepare a production budget of Komal Ltd. for the period 1st October 2010 to 31st December, 2010 on the basis of information given below. [6]

Product	Sales in units as per sales Budget	Estimated stock of finished Goods (units)	
		1st October 2010	31st December 2010
P	6,10,000	40,000	55,000
Q	4,68,750	81,250	1,12,500
R	7,50,000	62,500	62,500

**B)** Present the following information to show to the management of Sun Ltd. [9]

- a) The marginal product cost and the contribution per unit.
- b) The total contribution and profits resulting from each of the sales mixes given after the information.

(Per unit)

Particulars	Product Alpha	Product Beta
i) Direct Materials Rs.	50	45
ii) Direct Wages Rs.	15	10
iii) Selling price Rs.	100	75
iv) Variable cost apportioned	100% of Direct wages	100% of Direct wages

v) Fixed Cost Rs. 4,000

Proposed sales mix

- i) 1,000 units of product Alpha and 2,000 units of product Beta.
- ii) 1,500 units of product Alpha and 1,500 units of product Beta.
- iii) 2,000 units of product Alpha & 1,000 units of product Beta.

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**Q.4 Answer any 3 of the following :**

[15]

- i) Who are the users of Financial Accounting information.
- ii) Explain step fixed and step variable cost concept.
- iii) Explain sales budget
- iv) Explain purchase budget
- v) Explain standard cost and standard costing.



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