

T.Y.B.COM. SEM – V (CBCS - 2016 Course) : SUMMER - 2019

SUBJECT : COST AND MANAGEMENT ACCOUNTING – IV

Day : Wednesday

Time : 03.00 PM TO 06.00 PM

Date : 24/04/2019

S-2019-0358

Max. Marks : 60

N.B.

- 1) All questions are **COMPULSORY**.
- 2) Figures to the **RIGHT** indicate **FULL** marks.
- 3) Use of non-programmable calculator is **ALLOWED**.

Q.1 Attempt **ANY THREE** of the following : **(12)**

- a) Discuss the importance of P/V Ratio and Break-even point.
- b) What is 'Budgetary Control'? Explain the characteristics of Budgetary control.
- c) Explain the advantages of Management Information System.
- d) State the object and scope of cost audit.

Q.2 Tata Industries, Pune provides the following data : **(12)**

Particulars	Rs.
Sales	1,50,000
Marginal Cost	1,20,000
Gross Profit	60,000
Fixed overheads	20,000
Net Profit	40,000

You are required to calculate,

- a) P/V Ratio
- b) Break-even point (sales)
- c) Margin of safety when sales are Rs. 4,00,000
- d) Net profit when sales are Rs. 4,00,000
- e) Sales required to earn profit of Rs. 80,000

Q.3 The sales and profits during the last two years of Ashoka Ltd. were as follows: **(12)**

Year	Sales Rs.	Profit Rs.
2016-17	15,00,000	2,00,000
2017-18	17,00,000	2,50,000

Annual fixed cost is Rs. 1,75,000

You are required to calculate,

- a) P/V Ratio
- b) Break-even point (sales)
- c) The profits made when sales are Rs. 25,00,000
- d) The sales required to earn profit of Rs. 4,00,000

P.T.O.

Q.4 From the following information relating to Ambuja Ltd; Thane prepare a flexible budget at 60% and 80% capacity. (12)

	Particulars	70% capacity Rs.
A)	Variable Overheads : Indirect Material Indirect labour	 5,000 15,000
B)	Semi-Variable Overheads : Electricity (fixed 40% & variable 60%) Repairs and Maintenance (fixed 35% and variable 65%)	 50,000 5,000
C)	Fixed Overhead : Salaries Depreciation Insurance	 10,000 14,000 6,000
	Total -	1,05,000

The company estimated the direct labour hours to be worked at 70% capacity as 70,000 hours. Also calculate the overhead recovery rate at 60% and 80% capacities.

Q.5 Write short notes on **ANY THREE** of the following. (12)

- a) Margin of safety
- b) Advantages of cost audit
- c) Objectives of Management Information System
- d) Advantages of Marginal Costing

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