

**T.Y.B.COM. SEM – V (2014 COURSE) : SUMMER - 2018**  
**SUBJECT: GROUP A : COST & MANAGEMENT ACCOUNTING - IV**

Day: **Monday**  
Date: **23/04/2018**

**S-2018-0338**

Time: **03.00 PM TO 05.00 PM**  
Max. Marks: 40

**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** Define 'Marginal cost' and 'Marginal Costing'. State the advantages of Marginal costing. (10)

**OR**

**Q.1** Global Ltd., Baroda has prepared the following budget estimated for the year 2016 – 17 (10)

Sales	Units 15,000
Fixed cost	Rs. 34,000
Sales Value	Rs. 1,50,000
Variable Cost per unit	Rs. 6

You are required to calculate,  
P/V ratio, BEP ( Sales) and Margin of Safety .

- Q.2** Explain the terms of the following in relation of marginal costing:
- a) P/V ratio (05)
  - b) Margin of safety (05)

**OR**

**Q.2** Radhika Ltd., Ranchi shows the turnover and profit for the two periods as below (10)

Period	Turnover Rs.	Profit Rs.
I	10,00,000	1,00,000
II	12,00,000	1,40,000

**You are required to calculate:**

- i) P / V ratio
- ii) Sales required to earn a profit of Rs. 3,00,000

**Q.3** What is Budgetary control? Explain different types of budgets. (10)

**OR**

**P.T.O**

**Q.3**

The expenses budgeted for production at 100% capacity of Renuka Ltd are (10) given below.

<b>Particular</b>	<b>At 100% capacity Rs.</b>
Direct Materials	6,00,000
Variable works Overheads	2,00,000
Basic Wages	2,00,000
Fixed Production Overheads	80,000
Productive Expenses – Marginal	40,000
Administrative Expenses – Rigid	40,000
Selling Overheads ( 10% Fixed )	1,20,000
Distribution on cost ( 80% Variable)	60,000

Prepare a Flexible Budget for the production at 60% and 80% capacity showing separately

- i) Prime Cost
- ii) Works Cost
- iii) Cost of production
- iv) Cost of Turnover

**Q.4**

Write short notes on: ( Any TWO)

(10)

- a) Advantages of Management Information system
- b) Sales budget
- c) Break even point
- d) Scope of cost audit

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