VC- D 08/09/2015 – SYBBI Sem. III – Management Account– 2 ½ Hrs. – 75 Marks - 160

Note: All questions are compulsory.

Q1 A) Choose correct alternative from the following. 5

1. The abbreviation ICWAI stands for __________
   a. Institute of cost and works accountants of India
   b. Indian cost and works accountants institutes.
   c. Institute of cost and works analysts of India
2. Profit divided by P/V ratio is __________
   a. BEP
   b. MOS
   c. Actual sales.
3. BEP in units is calculated by using the _______ formulae.
   a. Fixed cost divided by contribution per unit.
   b. Fixed cost divided by P/V ratio
   c. Contribution divided by sales.
4. Cash flow statement is to be prepared as per.____
   a. AS-2
   b. AS-1
   c. AS-3
5. Director's report is addressed to ____________
   a. Shareholders
   b. Directors
   c. management

B) State whether the following statements are true or false. 5

1) Auditors report should be signed by statutory auditor.
2) A routine report is also termed as a regular report.
3) BEP sales is that point where cost is equal to selling price.
4) Marginal costing is a techniques of costing.
5) Cost audit involves verification of cost accounting records.

C) Match the following . 5

A column	B column
1. Director's report	a) Section – 207
2. Special Dyes	b) Indirect expenses
3. Management accounting	c) information need of organization
4. Prime cost	d) direct cost
5. MIS	e)futuristic
	f) direct expenses
	g) section - 217

Q.2. You are given the following data for the year 2015 of Aashu company 15

Variable cost Rs 6,00,000

Fixed cost Rs 3,00,000

Sales Rs1000000

Find out: i) Profit/Volume Ratio

ii)Break Even Point Sales

iii)Margin of Safety

iv)Desired Profit ,when sales amounted to Rs.12,00,000

v)Sales required to earn a profit of Rs.2,00,000

OR

Q.2.From the following particulars you are required to calculate: 15

i)Profit/Volume Ratio

ii)Break Even Point for sales

iii)Margin of Safety

iv)Profit when Desired Sales is Rs.100000

YEAR	SALES(units)	SALES(Rs.)	PROFIT(Rs.)
2014	12000	120000	9000
2015	14000	140000	13000

Q.3.Birla Company has the following Budget for the year 2015-16 15

Sales 85000 units @ Rs. 20

Variable cost Rs.850000

Fixed cost Rs.340000

Net Profit Rs.510000

From the above set of information,find out

a)The additional profits for the year 2015-16,if the following two set of changes are introduced and also suggest which plan shall be implemented

PLAN M	PLAN N
Increase in price 20%	Decrease in Price 20%
Decrease in volume 25%	Increase in Volume 25%
Increase in Variable Cost 10%	Decrease in Variable Cost 10%
Increase in Fixed cost 5%	Decrease in Fixed Cost 5%

Also Calculate Profit Volume Ratio under the two Plans

OR

Q.3. Present the following information to show clearly to management. 15

1) Profit resulting from each of the following mixtures.

Particulars	Product	Price Per Unit. (Rs.)
Direct material	X	20
	Y	18
Direct wages	X	06
	Y	04
Selling Price	X	40
	Y	30

Fixed expenses Rs. 8000.

Variable expenses are allotted to the products as 100% of direct wages.

Sales Mix.

1) 2000 units of product X & 4000 units of product Y.
2) 3000 units of product X & 3000 units of product Y.
3) 4000 units of product X & 2000 units of product Y.

Q.4. a) Explain the functions of Management accounting. 8

b) Explain Auditor's report and its importance.

OR

Q.4. a) Explain the advantage of cost audit.

b) Classify the following items on the basis of element

i. Raw material
ii. Carriage outward
iii. Salary to manager
iv. Labour
v. Printing and stationary
vi. Depreciation on plant and machinery
vii. Direct expenses

Q.5. Write short notes on (Any 3) 15

i. Classification of cost on the basis of function.
ii. Features of MIS
iii. Scope of management accounting
iv. Note on controller.
v. Cost audit
vi. Role of MIS