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SEAT No. \_\_\_\_\_

No. of Printed Pages : 3

**SARDARPATEL UNIVERSITY**  
**BBA (ITM) Semester VI Examination**

**Management Accounting-II**  
**UM06CBB105**

Date: 27<sup>th</sup> March, 2019, Wednesday  
Time: 10:00 am to 12:00 pm

Total Pages: 03  
Total marks: 60

Note: Figures to right indicates the marks

**Que.1 (A)** (07Marks)  
Explain Break Even Point and Break Even Chart.

**Que.1 (B)** (08 Marks)  
Nilay Co. Ltd. provides you following information.

Particulars	2017	2018
Sales (Rs.)	6,00,000	8,00,000
Total Cost (Rs.)	5,00,000	5,75,000

You are required to calculate:

- 1) P/V Ratio, Break-Even-Point.
- 2) Sales required to earn profit of Rs.3, 00,000.
- 3) Profit, if margin of safety is Rs.1,00,000
- 4) Profit at sales of Rs.10,00,000

OR

**Que. 1** (15 marks)  
Explain Meaning, Assumptions and Limitations of CVP Analysis.

**Que. 2** (15 marks)

ABC Company produces three types of products A, B, & C. For which company provides you following Information.

Particulars	A	B	C
Selling Price per Unit (Rs.)	150	125	100
Variable Cost Per unit (Rs.)	80	70	60
Demand per month in market (units)	2,000	3,000	1,000

During the month April, 2012 availability of Raw Material is 15,000 K.G. and product A, B & C consumes 2, 3, & 4 K.G. of raw material per unit. You are required to find out Optimum Production Mix. If total fixed cost during the month is Rs.25,000 then find out the profit under Optimum Production Mix.

OR

(P.T.O)

①

**Que. 2****(15 marks)**

XYZ Company produces three types of products A, B, & C. For which company provides you following information.

Particulars	A	B	C
Selling Price per Unit (Rs.)	150	125	100
Variable Cost Per unit (Rs.)	80	70	60

- (1) A-3000 Units, B-2500 Units, C-2000 Units
- (2) A-2000 Units, B-3000 Units, C-2500 Units
- (3) A-2700 Units, B-2400 Units, C-2400 Units
- (4) A-2200 Units, B-2700 Units, C-2600 Units

You are required to suggest which product mix should be adopted by the company? Why?

**Que.3****(15 Marks)**

Excel engineering company has manufacturing capacity of 10,000 units, but at present company operates at 80% capacity, for which per unit details are as follows:

Particulars	Amt. (Rs.)
Raw Material (5 KG @ Rs.10 Per KG)	50
Direct Wages (3 Hrs. @ Rs. 20 Per Hr.)	60
Variable OH (25% of Direct Wages)	15
Fixed OH	25

Company received an export order to supply 5000 units at Rs. 130 in next three months, for which company required to incur special packing expense of Rs. 2 per unit, and total export expense of Rs. 3000. You are required to advise company whether this export order should be accepted or not?

Alternatively company receives order from domestic market to supply 5000 units at Rs.140 per Unit. Whether Company should accept offer from domestic market by rejecting export order or not? Why?

**OR****Que.3****(15 Marks)**

What is Differential Cost Analysis? Explain in detail Comparison and Difference between Differential Cost Analysis and Marginal Cost Analysis.

**Que.4****(15 Marks)**

Explain meaning of Value Added, how it is useful in performance measurement? How Value Added statement is differing from Profit & Loss Account?

**OR**

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Que.4

(15 Marks)

For the year ended on 31<sup>st</sup> March, 2018 following transactions recorded in book of Het Co. Ltd.

Particulars	Amt. (Rs.)
Sales	22,00,000
Raw Material Cost	5,10,000
Direct Wages	4,12,000
Interest on Investment	42,000
Salary to office staff	1,10,000
Sales Tax	63,000
Income Tax	30% on Profit
Managerial Remuneration	50,000
Royalty Paid	25,000
Interest on Bank Loan	12,000
Dividend on Equity Share	40,000
Audit Fees	20,000
Interest on Debentures	50,000

You are required to Prepare Value Added Statement.

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