

- (D)Fund is applied
- f)** When bonus shares are issued from Capital Reserve... 1
 (A)Funds will increase(B)Funds will decrease
 (C)Fund will not be affected(D)Decrease in net working capital
- g)** In standard costing standards are not set for.... items 1
 (A)Direct material (B) Direct labour
 (C) Overheads (D) Fixed assets
- h)** Predetermined ideal measurement related to cost element is known as... 1
 (A)Standard (B) Pre estimate (C) Budget(D) None of these
- i)** Standard cost is.... 1
 (A)The expected predetermined cost per unit
 (B)The cost incurred in production
 (C)The cost of actual production
 (D)None of the above
- j)** If standard cost and actual cost are compared and the actual cost is less 1
 than it is known as...
 (A)Adverse variance (B) Favourable
 (C) Both of the above (D) None of these
- k)** The cost of product determined under standard cost system is... 1
 (A)Fixed cost (B) Current cost
 (C) Historical cost (D) Predetermined cost
- l)** If sell is Rs. 50,000 and variable cost Rs. 30,000 what will be the 1
 P.V.Ratio?
 (A)50% (B)60% (C)40% d) None of these
- m)** That level when total contribution equals to total fixed expenses is 1
 known as...
 (A)Profit making level (B) Optimal level
 (C) Breakeven level(D)Ideal level
- n)** Sales minus variable cost indicates 1
 (A)Fixed cost(B) Profit (C) Contribution (D) None of the above



Attempt any four questions from Q-2 to Q-8

- Q-2 Attempt all questions (14)**
 (A) State the objectives of Management Accounting 7
 (B) Give difference - Cost Accounting System and Management Accounting System. 7

Q-3 (14)

Following are the summarised balance sheet of Sita Limited as on 31st March 2020 and 31st March 2021

Liability	2020	2021	Assets	2020	2021
Share capital	337500	337500	Fixed assets	300000	240000
General Res.	225000	232500	Investment	37500	45000
P & L A/c	225000	26250	stock	150000	146250
Creditors	67500	56250	Debtors	150000	341250
Tax provision	56250	7500	Bank Bala.	119250	147750
Debentures	-	202500	Bills Recv.	30000	11250
Capital Res.	19500	24750			
Bills Pay.	58500	44250			
	786750	931500		786750	931500

Additional information:

- Investment costing 6,000 were sold during the year 2020-21 for 6,375 new investment worth 13,500 were purchased.
- Net profit was 46,500 after debiting the depreciation of 52,500 on fixed assets and tax provision made 7,500.
- During the year part of fixed assets costing 7,500 was sold for 9,000. the profit was included in the profit and loss account.
- Dividend paid during the year amounted to 30,000

From the above Information Prepare "Fund Flow Statement."

- Q-4 Attempt all questions (14)**
 (A) State the scope function of Management Accounting. 7
 (B) Write a note on Utility of Fund Flow Statement. 7

Q-5 (14)

Standard mixture to produce 1 ton of Jamboo Chemical is fixed as under:

Chemical	Consumption (kg)	Price per kg(Rs.)
X	240	6
Y	400	12
Z	640	10

6.25 ton of chemical was manufactured during certain month.

Actual cost and usage particulars are as under:

Chemical	Consumption(ton)	Cost(Rs.)
X	1.6	11,200
Y	2.4	30,000
Z	4.5	47,250

Calculate:

- Material Cost Variance
- Material Price Variance
- Material Usage Variance
- Material Mix Variance
- Material Sub Usage Variance.



Q-6 Attempt all questions (14)

(A) State the importance and limitation of Standard Costing. 7

(B) Balaji Co. Manufacture 10,000 bags per month and sells at Rs. 12.50 per bag. Company have production capacity of 20,000 bag per month cost details for 10,000 bags is as below: 7

Particular	Rs.
Cost of material	10,000
Cost of labour	25,000
Power expense	5,000
Miscellaneous expense	10,000
Administration expense (fixed)	80,000

Company can secure an export order for monthly supply of 10,000 bags, with a condition to supply for 1 year continuously. The offer price from foreign company is Rs.7.5 for bags
Should the company Accept this offer?

Q-7 Attempt all questions (14)

(A) Standard labour cost to produce article MF is fixed as under: 7

Workers	Rate per hour (Rs.)	Working hour
Skilled	8	150
Unskilled	3	140

Workers actually engage are as under:

Workers	Rate per hour (Rs.)	Working hour
Skilled	9.50	140
Unskilled	2.50	150

Calculate:

- 1.Labour Cost Variance
- 2.LabourEfficiency Variance
- 3.Labour Rate Variance

(B) From the following data, calculate: 7

1. Labour Cost Variance
- 2.Labour Rate Variance
3. LabourMix Variance

Budget mix for workers to produce 1,000 units.

Total std. Hours	Total std. Cost (Rs.)
30 Men for 50 hrs. at Rs. 4per hrs.1,500	6,000
20 Women for 30 hrs.at Rs. 3 per hrs. 600	1,800
10 girls for 20 hrs.at Rs. 2 per hrs.200	400
2300	8200

Information regarding actual hours and actual workis as under:

Total std. Hours	Total std. Cost (Rs.)
25 men for 50 hrs. at 4.5 hrs. 1,250	5,625
30 womenfor 30 hrs. at 3.00 hrs.900	2,700
10 Girls for 15 hrs. at 2.00 hrs.150	300
2,300	8,625



Q-8 **Attempt all questions** **(14)**

(A) The following information relates to Ram Company Limited: **7**

Year	Sales (Rs.)	Profit (Rs.)
2020	8,00,000	-60,000 (Loss)
2021	12,00,000	+ 1,00,000 (Profit)

From the above-mentioned information calculate:

1. Profit Volume Ratio
2. Fixed Cost Number
3. Variable cost in the year 2021
4. Breakeven point in (rupees)
5. Probable sales when the loss is Rs. 20,000
6. Determine margin of safety when sales is Rs. 12,00,000

(B) In a factory two product M and F are manufactured. Raw material is a Key factor. **7**

From the following information decide which product is more profitable?

Details

	M	F
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Raw material used for one finished unit 10 units 5 units

Unit cost of raw material Rs. 4 Rs.4

Labour per unit Rs.5 Rs.5

Indirect expense Rs.5 Rs.5

Selling price Rs. 80 Rs. 50

Maximum production capacity 2000 units 1000 units

In year 2020 government quota realised for raw material is 20,000 units

Decide the product mix for 2020 To yield Maximum Profit.

