

PC-2481/MJ

F-24/2051

MANAGEMENT ACCOUNTING–II

Paper–BCH-601

(Semester–VI)

Time : Three Hours]

[Maximum Marks : 70

Note : Attempt *two* questions each from Section A and B carrying 10 marks each and attempt any 10 short answer type questions from Section C carrying 3 marks each.

SECTION – A

- I. Ankit Ltd. which produces three products furnishes you the following data for 2007-2008 :

	Product A	Product B	Product C
Selling price per unit (Rs.)	100	75	50
Profit volume ratio (%)	10	20	40
Maximum sales potential (units)	40,000	25,000	10,000
Raw material constant as % of variable cost	50	50	50

The fixed expenses are estimated at Rs. 6,80,000. The company uses a single raw material in all the three products. Raw material is in short supply and the company has a quota for the supply of raw materials of the value of Rs. 18,00,000 for the year 2007-2008 for the manufacture of its products to meet its sales demand. You are required to :

- (i) Set a product mix which will give the maximum overall profit, keeping the short supply of raw material in view.
- (ii) Compute the maximum profit.

II. What do you understand by target costing? Explain the main features of target costing process.

III. Modern Company is a metal and wood cutting manufacturer, selling products to the home construction market. Consider the following data for the month of October, 2015 :

	1-1-2015	31-10-2015
Direct Material	1,00,000	1,25,000
Finished Goods	2,50,000	3,75,000
Work-in-process	25,000	35,000

Transaction during the month :

	Rs.		Rs.
Sand Paper	5,000	Property Taxes on	
Material-handling Cost	1,75,000	Plant & Equipment	10,000
Lubricants	12,500	Fire Insurance on	
Direct Manufacturing		Plant & Equipment	7,500
Labour	1,00,000	Direct Material	
Miscellaneous	7,50,000	Purchased	11,50,000
Plant-leasing Cost	1,35,000	Sales Revenue	34,00,000
Depreciation-Plant &		Marketing Promotions	1,50,000
Equipment	90,000	Marketing Salaries	2,50,000
Customer-service Costs	2,50,000	Distribution Costs	1,75,000

Prepare an income statement with a separate supporting schedule of cost of goods manufactured.

- IV. Define life cycle costing. Explain various stages in product life cycle.

SECTION – B

- V. Differentiate between cost reduction and cost control. What are the major areas in which cost reduction is usually possible?
- VI. Define zero base budgeting. Explain its features and advantages in detail.

VII. From the following records of Bonuscrew Ltd., you are required to compute the material and labour variances :

1 tonne of material yields a standard output of 1 lakh units.

Number of employees is 200

The standard wage rate per employee per day is Rs. 6.

Standard price of material is Rs. 20 per kg.

Actual quantity of material issued by production department 10 tonnes.

Actual price of material is Rs. 21 per kg.

Actual output is 9 lakh units.

Actual wage rate per day is Rs. 6.50.

Standard daily output per employee is 100 units.

Total number of days worked is 50.

Idle time paid for and included above is 1/2 day.

VIII. With the following data for a 60% activity, prepare a budget for production at 80% and 100% capacity :

Production at 60% activity	600 units
Materials	Rs. 10 per unit
Labour	Rs. 40 per unit
Direct Expenses	Rs. 10 per unit
Factory Overheads	Rs. 40,000 (40% fixed)
Administration Expenses	Rs. 30,000 (60% fixed)

SECTION – C

IX. Write short notes on any *ten* of the following :

- (a) Differential Cost.
- (b) Material-Usage Variance.
- (c) Performance Budgeting.
- (d) Marginal Costing.
- (e) Product mix.
- (f) Product Life-cycle.
- (g) Make or Buy decision.
- (h) Types of Budget.
- (i) Transfer Pricing.
- (j) Labour Variance.
- (k) Break even point.
- (l) Standard cost.

PUNJABI VERSION

ਨੋਟ : ਭਾਗ A ਅਤੇ B ਹਰੇਕ ਵਿਚੋਂ ਕੋਈ ਦੋ-ਦੋ ਪ੍ਰਸ਼ਨ ਕਰੋ ਅਤੇ ਹਰੇਕ ਪ੍ਰਸ਼ਨ ਦੇ 10 ਅੰਕ ਹਨ। ਭਾਗ C ਵਿਚੋਂ ਕੋਈ 10 ਸੰਖੇਪ ਉੱਤਰ ਵਾਲੇ ਪ੍ਰਸ਼ਨ ਕਰੋ ਅਤੇ ਹਰੇਕ ਪ੍ਰਸ਼ਨ ਦੇ 3 ਅੰਕ ਹਨ।

ਭਾਗ-A

- I. ਅੰਕਿਤ ਲਿਮਿਟਿਡ, ਜਿਹੜਾ ਤਿੰਨ ਉਤਪਾਦਾਂ ਦਾ ਉਤਪਾਦਨ ਕਰਦਾ ਹੈ, ਵਲੋਂ ਨਿਮਨ-ਦਰਜ ਵੇਰਵੇ 2007-2008 ਲਈ ਪ੍ਰਾਪਤ ਕੀਤੇ ਗਏ ਹਨ। ਇਨ੍ਹਾਂ ਦਾ ਅਧਿਐਨ ਕਰਕੇ ਲੋੜੀਂਦੀ ਕਾਰਵਾਈ ਕਰੋ :

	Product A	Product B	Product C
Selling price per unit (Rs.)	100	75	50
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Maximum sales potential (units)	40,000	25,000	10,000
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The fixed expenses are estimated at Rs. 6,80,000. The company uses a single raw material in all the three products. Raw material is in short supply and the company has a quota for the supply of raw materials of the value of Rs. 18,00,000 for the year 2007-2008 for the manufacture of its products to meet its sales demand. You are required to :

- Set a product mix which will give the maximum overall profit, keeping the short supply of raw material in view.
- Compute the maximum profit.

- II. ਟਾਰਗੇਟ ਲਾਗਤ ਤੋਂ ਕੀ ਭਾਵ ਹੈ? ਟਾਰਗੇਟ ਲਾਗਤ ਪ੍ਰਕਿਰਿਆ ਦੇ ਮੁੱਖ ਲੱਛਣ ਦਰਜ ਕਰੋ।
- III. ਨਿਮਨ-ਦਰਜ ਵੇਰਵਿਆਂ ਦਾ ਅਧਿਐਨ ਕਰਕੇ ਲੋੜੀਂਦੀ ਕਾਰਵਾਈ ਕਰੋ :

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- IV. ਜੀਵਨ-ਚੱਕਰ ਲਾਗਤ ਨੂੰ ਪਰਿਭਾਸ਼ਿਤ ਕਰੋ। ਉਤਪਾਦ ਦੇ ਜੀਵਨ-ਚੱਕਰ ਦੇ ਵਿਭਿੰਨ ਪੜਾਵਾਂ ਦਾ ਉਲੇਖ ਕਰੋ।

ਭਾਗ-B

- V. ਲਾਗਤ ਘਟਾਉਣ ਅਤੇ ਲਾਗਤ ਨਿਯੰਤਰਣ ਵਿਚਲਾ ਅੰਤਰ ਦਰਜ ਕਰੋ। ਕਿਨ੍ਹਾਂ ਮੁੱਖ ਖੇਤਰਾਂ ਵਿਚ ਲਾਗਤ ਘਟਾਉਣ ਦੀ ਅਕਤਰ ਸੰਭਾਵਨਾ ਹੁੰਦੀ ਹੈ?
- VI. ਜ਼ੀਰੋ-ਆਧਾਰੀ ਬੱਜਟਿੰਗ ਤੋਂ ਕੀ ਭਾਵ ਹੈ? ਇਸ ਦੇ ਲੱਛਣਾਂ ਅਤੇ ਲਾਭਾਂ ਦੀ ਚਰਚਾ ਕਰੋ।
- VII. ਨਿਮਨ-ਦਰਜ ਵੇਰਵਿਆਂ ਦਾ ਅਧਿਐਨ ਕਰਕੇ ਲੋੜੀਂਦੀ ਕਾਰਵਾਈ ਕਰੋ :

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ਭਾਗ-C

IX. ਕਿਸੇ 10 ਤੇ ਸੰਖੇਪ ਨੋਟ ਲਿਖੋ :

- ਭਿੰਨਤਾ ਸੂਲਕ ਲਾਗਤ ਤੋਂ ਕੀ ਭਾਵ ਹੈ?
- ਸਮੱਗ੍ਰੀ ਵਰਤੋਂ ਭਿੰਨਤਾ ਕੀ ਹੁੰਦੀ ਹੈ?
- ਕਾਰਗੁਜ਼ਾਰੀ ਬੱਜਟਿੰਗ ਦੇ ਅਰਥ ਲਿਖੋ।
- ਹਾਸ਼ਿਆਈ ਲਾਗਤ ਤੋਂ ਕੀ ਭਾਵ ਹੈ?
- ਉਤਪਾਦ ਮਿਕਸ ਦੇ ਅਰਥ ਲਿਖੋ।
- ਉਤਪਾਦ ਜੀਵਨ-ਚੱਕਰ ਤੋਂ ਕੀ ਭਾਵ ਹੈ?
- ਬਣਾਉਣ ਜਾਂ ਖਰੀਦਣ ਦਾ ਨਿਰਣਾ ਵਿਚਾਰੋ।

- (h) ਬੱਜਟ ਦੀਆਂ ਕਿਸਮਾਂ ਦਰਜ ਕਰੋ।
 - (i) ਤਬਾਦਲਾ ਕੀਮਤ ਕੀ ਹੁੰਦੀ ਹੈ?
 - (j) ਮਜ਼ਦੂਰੀ ਦੀ ਭਿੰਨਤਾ ਵਿਚਾਰੋ।
 - (k) ਬ੍ਰੇਕ ਈਵਨ ਪੁਆਇੰਟ ਕੀ ਹੁੰਦਾ ਹੈ?
 - (l) ਪ੍ਰਮਾਣਕ ਲਾਗਤ ਕੀ ਹੁੰਦੀ ਹੈ?
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