

JAYPEE UNIVERSITY OF INFORMATION TECHNOLOGY, WAKNAGHAT

TEST -1 EXAMINATION- 2024

BBA-III Semester

COURSE CODE(CREDITS): 23BB1HS313(4)

MAX. MARKS: 15

COURSE NAME: Management Accounting

COURSE INSTRUCTORS: Triambica Gautam

MAX. TIME: 1 Hour

Note: (a) All questions are compulsory.

(b) Marks are indicated against each question in square brackets.

(c) The candidate is allowed to make Suitable numeric assumptions wherever required for solving problems

Q1. Discuss the significance and uses of classifying costs into fixed, variable and semi variable.

CO2[3]

Q2. Discuss the importance of management accounting and differentiate its scope of activities from cost and financial accounting.

CO1[3]

Q3. Calculate a) contribution b) P/V ratio c) Breakeven point in units and rupees d) What will be the selling price per unit if the breakeven point is brought down to 25,000 units?

Fixed expenses: Rs. 1,50,000; Variable cost per unit: Rs.10; Selling Price per unit: Rs.15.

CO5[4]

Q4. A company manufactures 3 products A, B and C. There are no common processes and the sale of one product does not affect prices or volume of sales of any other.

The cost and revenue details are given below:

	Total (Rs.)	A (Rs.)	B (Rs.)	C (Rs.)
Sales	3,00,000	45,000	2,25,000	30,000
Production cost:				
Fixed	60,000	3,000	48,000	9,000
Variable	1,80,000	24,000	1,44,000	12,000
Production overhead cost	2,40,000	27,000	1,92,000	21,000
Selling and Administrative cost:				
Variable:	24,000	8,100	8,100	7,800
Fixed:	6,000	2,100	1,800	2,100
Total Cost(Production & Selling	2,70,000	37,200	2,01,900	30,900

together)				
Profit	30,000	7,800	23,100	-900

On the basis of the above the Board had almost decided to eliminate product C, on which a loss was budgeted. What are the cost and profit implications of eliminating product C? Can this decision be supported on the basis of marginal costing? Show the detailed calculations.

CO5 [5]

JUIT TEST-1 EXAMINATION- Sep-2024