

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)

Chromepet, Chennai - 600 044.

B.Com. ISM - END SEMESTER EXAMINATIONS APRIL - 2024

SEMESTER - II

20UBICT2003 - Accounting for Managers - II

Total Duration : 2 Hrs. 30 Mins.

Total Marks : 60

Section B

Answer any **SIX** questions ($6 \times 5 = 30$ Marks)

1. Define the terms Cost Unit and Cost Centre.
2. What are the procedure to be adopted for purchasing the materials?
3. From the following information, calculate the amount of profit using marginal cost technique:
Fixed cost Rs.3,00,000
Variable cost per unit Rs.5
Selling price per unit Rs.10
Output level 1,00,000 units.
4. Differentiate Absorption costing and Marginal costing.
5. From the following particulars calculate Economic Order Quantity:
Annual Consumption = 16,000 Units
Buying Cost per order = Rs.18
Cost per unit of material = Re.1
Storage and Carrying cost = 20% of average inventory.
6. Enlist the objectives of Budgetary Control.
7. Explain the different types of Standards.
8. Enumerate the advantages of Zero-Based Budgeting.

Section C

Answer any **THREE** questions ($3 \times 10 = 30$ Marks)

9. Prepare a cost sheet of the following data relating to the manufacture of T Shirts:

Number of T Shirts manufactured during the month	1,000
	Rs.
Direct materials consumed	20,000
Direct labour	8,000
Indirect labour (in factory)	2,500
Supervision costs (in factory)	1,000
Factory premises rent	1,600
Factory lighting	600
Oil for machines	100
Depreciation of machines	500
Office overheads	8,000
Office salaries	2,000
Misc. office expenses	1,000
Selling and distribution overheads	6,000

Note: A profit margin of 20% on the total cost of goods is expected on the sale of T Shirts.

Contd...

10. From the following particulars calculate the

(a) Maximum Stock Level.

(b) Minimum Stock Level.

(c) Re-ordering Level.

(d) Average Stock Level.

(i) Normal consumption = 600 units per week.

(ii) Maximum consumption = 840 units per week.

(iii) Minimum consumption = 480 unit per week.

(iv) Re-order quantity = 7,200 units.

(v) Re-order period = 10 to 15 weeks.

(vi) Normal reorder period = 12 weeks.

11. Sales Rs.2,00,000

Profit Rs.20,000

Variable Cost 60%

You are required to calculate:

(a) P/V Ratio

(b) Fixed Cost

(c) Sales volume to earn a profit of Rs.50,000.

12. Calculate Material Price, Usage and Cost Variance from the following information:

Standard Price of material per kg = Rs.4

Standard Usage of materials = 800 kgs

Actual Usage of materials = 920 kgs

Actual Price of materials per kg = Rs.3

Actual Cost of materials =Rs.2,760

Standard cost of material for actual production =Rs.3,200

13. A company is expecting to have Rs.25,000 cash in hand on 1st April 2023 and it requires you to prepare an estimate of cash position in respect of three months from April to June 2023, from the information given below:

	Sales (Rs.)	Purchase (Rs.)	Wages (Rs.)	Expenses (Rs.)
February	70,000	40,000	8,000	6,000
March	80,000	50,000	8,000	7,000
April	92,000	52,000	9,000	7,000
May	1,00,000	60,000	10,000	8,000
June	1,20,000	55,000	12,000	9,000

Additional Information:

(a) Period of credit allowed by suppliers –two months.

(b) 25% of sale is for cash and the period of credit allowed to customer for credit sale one month.

(c) Delay in payment of wages and expenses one month.

(d) Income Tax Rs.25,000 is to be paid in June 2023.
