

St. Mira's College for Girls, Pune
(Autonomous-Affiliated to Savitribai Phule Pune University)

B.Com.

Subject: _____ (C51715)

Cost and Works Accountancy

Semester: V

III

Year: 2019-20

Skill Building and Employability : Calculation of Cost (Marginal Cost, Budgets, Transfer Pricing, etc)

Preparation of Budget

St. Mira's College for Girls
SLI - A
Date: 9-9-2019
Flexi 2
Roll No. 4298 Div: A
10 Marks

A factory is working at 50% capacity and produces 1,000 units at a cost of ₹ 200 per unit. The per-unit details are as follows:

Particulars	₹ Per Unit	Notes
Direct Material	80	
Direct Labour	50	
Variable Overheads	20	
Fixed Overheads	10	
Variable Expenses	10	
Selling Expenses	15	(15% fixed)
Office Expenses	10	(80% fixed)
Distribution Expenses	5	(70% variable)
Selling price	250	

Estimate profits of the factory at 80% and 100% capacity

Ans.

Particulars	50% capacity 1,000 units		80% capacity 800 units		100% capacity 1,000 units	
	P.U.	₹	P.U.	₹	P.U.	₹
Variable Expenses						
Direct Material	80	80,000	80	1,28,000	80	1,60,000
Direct Labour	50	50,000	50	80,000	50	1,60,000
variable overheads	20	20,000	20	32,000	20	40,000
variable expd.	10	10,000	10	16,000	10	20,000
Selling expd. (85% variable)	12.75	12,750	12.75	20,400	12.75	25,500



Principal Incharge
St. Mira's College for Girls

Anupam
(Anupam Mazumdar)
Subject Teacher