Rayat Shikshan Sanstha's

Dahiwadi College Dahiwadi

Department of Commerce

BCOM-III

2019-2020

Advanced Accountancy Paper-III

(Marginal Costing)

INSTRUCTIONS: 1) select correct options.
2) Solve practical problem

1) Calculate-1) BEP.
2) Sale to earn Profit of Rs.20, 000.
i)Fixed Cost-Rs.1,50,000.
ii) Variable cost –Rs.15 per unit.
iii) Selling price- Rs.30 per unit.

2)

Year	Sale(Rs.)	Profit(Rs.)
2010	1,20,000	8,000
2011	1,40,000	13,000

Calculate: 1) P/V Ratio
2) BEP Ratio.
3) Profit when sale are Rs.1, 80,000.
4) Sale required earns a profit of Rs.12, 000.
5) Margin of Safety 2011

1) The term contribution refers to………
a) The difference between selling price and fixed cost
b)The Difference between selling price and variable cost.
c) Profit.
d) None of above.

2) Direct material cost direct labor cost +other variable cost=
a) Contribution.
b) Total Cost.
c) Marginal cost.
d) Sales.

3) Sale Rs.1, 00, 000, variable cost Rs.60, 000 then contribution is…..
a) 40,000.
b) 30,000.

c) 70,000.
d)50,000.

4) Contribution 37,500, and Profit 20,000 then fixed cost is…..
a)17,500.
b) 17,200.
c) 15,200.
d)14,500.

5) P/V Ratio establishes the relationship between …….
a) Contribution and profit.
b) Fixed cost and contribution.
c) Profit and sale.
d) Contribution and sale value.

6) Contribution /sale is equal to……
a) P/V Ratio.
b) Net profit ratio.
c) BEP.
d) EPS.

7) Expenses that do not the change of production are known as.
a) Fixed Expenses.
b) Variable Expenses.
c) Semi Variable Expenses.
d) None.

8) ----- means difference between Actual sale and BEP Sale.
a) Actual sale.
b) Total Sale.
c) Margin of Safety.
d) None.

9) p/v ratio= change in profit /-----------*100
a) Change in cost
b) Change in variable cost.
c) Change in sale.
d) None above.

10) Profit =(sale*-----------)-fixed cost.
a) P/V Ratio.
b) BEP
c) Margin of safety.
d) Contribution

11) Volume of sale at which there is neither profit nor loss.
a) Break Even Point.
b) Margin of safety.
c) P/V Ratio.
d) None of above

12) Variable cost is--------
a) Change as per volume.
b) Fixed as per volume.
c) Constant as per volume.
d) None of above.

13) **Marginal costing is the most useful technique for the**
a)Shareholder
b)Management
c) Auditor
d) Creditors.

14) The BEP Decrease if fixed cost decrease
a)Increase
b)Decrease
c) Constant
d) None of above

15) Margin of safety can be improved by ----------.
a) Increasing Production.
b) Increasing selling price.
c) Reducing Cost.
d) All of above