

(7)

MCB

Marks

4. Answer any **four** out of the following **five** subdivisions :

4×4

=16

4

(a) 6000 pen drives of 2 GB are to be sold in a perfectly competitive market to earn ₹ 1,06,000 profit, whereas in a monopoly market only 1200 units are required to be sold to earn the same profit. The fixed costs for the period are ₹ 74,000. The contribution per unit in the monopoly market is as high as three fourths its variable cost. Determine the target selling price per unit under each market condition.

(b) In a company, factory overheads are applied on the basis of direct labour hours. The following information is given : 4

	Department	
	A	B
Fixed factory overheads (₹)	3,36,000	1,26,000
Variable overheads per labour hour (₹ per hour)	0.50	1.50
Direct labour hours required as per direct labour hour budget		
For product X	1,40,000	70,000
For product Y	28,000	56,000

Prepare the productwise budget for fixed and variable overhead costs.

(c) Classify the following items under the three measures used in the theory of constraints : 4

- Research and Development Cost
- Rent/Utilities
- Raw materials used for production
- Depreciation
- Labour Cost
- Stock of raw materials
- Sales
- Cost of equipments and buildings.

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P.T.O.