Q.(5) (a) Define Marginal Cost and Marginal Costing.

(b) Everest Snow Company manufactures and sells direct to the consumer 10,000 jars of Everest Snow per month at Rs. 1.25 paise per jar. The Company's normal production capacity is 20,000 jars of snow per month. An analysis of cost for 10,000 Jars is given below:

	Direct Material	Direct Labour	Power	Misc. Supplies	Jars	Fixed Expenses
Rs.	1000	2475	140	430	600	7955

The Company has received an offer for the export under a different brand name 10,000 jars per month at 0.75 paise a jar. Write a short report on the advisability or otherwise of accepting the offer.

Q.(6) (a) Define Budget.

(b) Explain Budgetary Control.

(c) What are the advantages and limitations of budgets.

Q.(7) (a) Write a brief note on Break even Analysis.

(b) A business has a fixed cost of Rs. 2,00,000. And variable cost of 50% of sales.

(i) What sales are required to show a profit of Rs. 25,000

(ii) What profit should be earned from sales of Rs. 500000

(iii) What sales must be achieved at the Break even point.

Sales - cost = profit 25,000

Q.(8) Write short notes on (Any 3)

(i) FIFO

(ii) Standard Costing

(iii) Job Costing

(iv) Activity Based Costing

S - x

V - $\frac{50x}{100}$

Sales - FC - VC = Profit

$x - 200{,}000 - \frac{50x}{100} = 25000$

$x - \frac{50x}{100} = 225000$

$\frac{100x - 50x}{100} =$

$50x = 500{,}000 - 200{,}000$