


**VII SEMESTER B.TECH. (PRINT AND MEDIA TECHNOLOGY)**
**END SEMESTER EXAMINATIONS, DECEMBER 2018**
**SUBJECT: MEDIA ACCOUNTING AND MANAGEMENT [PMT 4011]**
**REVISED CREDIT SYSTEM**
**(01/12/2018)**

Time: 3 Hours

MAX. MARKS: 50

**Instructions to Candidates:**

- ❖ Answer **ALL** the questions.
- ❖ Missing data may be suitably assumed.

- 1A.** Explain the pricing strategy is used in printing industry?
- 1B.** Differentiate between journal and ledger.
- 1C.** You have been provided with financial information of M/s Aditya Mills Ltd for the Year 2017.

**Balance Sheet Dec 31<sup>st</sup>, 2017**

<b>Liabilities</b>	<b>Rs.</b>	<b>Assets</b>	<b>Rs.</b>
Share Capital	10,00,000	Plant & Equipment	6,40,000
Retained Earnings	3,68,000	Land & Building	80,000
Sundry Creditors	1,04,000	Cash	1,60,000
Bills Payable	2,00,000	Sundry debtors	3,20,000
Other current Liabilities	20,000	Stock	4,80,000
		Prepaid insurance	12,000
<b>Total</b>	<b>16,92,000</b>	<b>Total</b>	<b>16,92,000</b>

**Statement of profits for the year ended Dec 31, 2017**

<b>Particulars</b>	<b>Amount in Rupees</b>
Sales	40,00,000
Cost of goods Sold	30,80,000
Gross Profit	9,20,000
Operating Exp	6,80,000
Profit before tax (PBT)	2,40,000
Taxes @ 50%	1,20,000
PAT	1,20,000

Sundry debtors & Stock at the beginning of the year was Rs.3,00,000 & Rs.4,00,000 respectively.

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Determine the following ratios.

- (I) Critical Ratio    (II) Acid Test or Quick Ratio    (III) Stock Turnover Ratio  
(IV) Debtors Turnover Ratio    (V) Gross Profit Ratio    (VI) Net Profit Ratio

**[ 02 + 03 + 05 ]**

- 2A.** A full sheet job is to be printed in 4 color on each side of paper by offset process. Total impression required in the job are 1,00,000. Calculate the wastage allowance.
- 2B.** Explain the different types of cost centres.
- 2C.** From the following Trial Balance, prepare a Trading, P&L account and Balance Sheet.

Trial Balance		
	Dr. Rs.	Cr. Rs.
Purchase	21750	
Insurance	1300	
Printer's wages	6500	
Sales		30,000
Office staff salaries	2000	
Stationary	400	
Commission	425	
Freight	275	
Administration Over Heads	105	
Trade expenses	600	
Interest	250	
Building	5000	
Furniture	200	
Sundry Debtor	4250	
Capital		13000
Sundry Creditor		2100
Cash in Bank	2045	
	45100	45100

Adjustment entry: Closing stock Rs. 6000

**[ 02 + 03 + 05 ]**

- 3A.** 'The critical process of finding and keeping the right employee assumes great importance' – Justify this statement with suitable example.
- 3B.** Find out the quantity of ink required for the printing of 15,000 posters of 38 x 50 cm size in 4 colors from a color transparency on art paper by offset process. Allowance for a very heavy subject matter and wastage of paper and ink should be taken into account.
- 3C.** The following information is obtained from the a/c of M/s ABC Ltd.

	Rs.
DMC	10,000
DW	6,000
DE	200
Factory OH	
Variable	2,500
Fixed	500

**Administration OH**

Variable -	200
Fixed -	800

**Selling and Dist. OH**

Variable	1200
Fixed	600
Sales	25,000

- I. Compute Prime cost, Work cost, Cost of Production, Total cost and profit under absorption or full costing
- II. Compute marginal costing, contribution and profit under marginal costing

**[ 02 + 03 + 05 ]**

- 4A.** Find out the weight of reel of paper having width, outer and inner diameters as 63 cm, 100 cm and 15 cm respectively. The substance of the paper is 80 and its caliper is 1/12 mm.
- 4B.** Briefly explain the different sources of financing for Media Industry / Media projects.
- 4C.** Journalize the following transactions and prepare ledger account for cash.

Date	Transaction details	Amount in Rs
2015 Jan 01	Commenced business	6000
Jan 03	Paid to Bank	2000
Jan 05	Purchased Printer	1000
Jan 07	Sold goods for cash	500
Jan 09	Paid rent	200
Jan 11	Paid salaries	150
Jan 13	Received rent	75
Jan 15	Withdrawn for personal use	150

**[ 02 + 03 + 05 ]**

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- 5A.** Give the rules of trial balance.
- 5B.** Job Evaluation is an important part of manager's work, hence briefly explain the significant influence of an effective evaluation process in media industry.
- 5C.** Following information pertains to a Digital studio involved in media production.

Production cost rate per audio - Rs.,5,410.00

Production cost rate per video - Rs., 55,899.00

Type setting and designing: Rs. 1,00,000.00

Print material cost: Rs. 2,00,000.00

Number of audio program – 6

Number of video program – 4

Interest rate – 7.5%

Period 5 years

Compute the total fixed cost and annual fixed cost

**[ 02 + 03 + 05 ]**