

Q-2. The following information is available from the books of Bajaj Co. manufacturing luxury sewing machines. Production and sales during the year-ending 31st March 2017 was 2000 units.

Direct materials	800000
Direct wages	600000
Factory Expenses	550000
Administration Expenses	240000
Selling Expenses	180000
Sales	2920000

The following estimated have been made for 2017-18

- (1) Production and Sales will be 3000 units
- (2) Materials price per unit will increase by 25% but due to economy in consumption the cost per unit will reduce by 12%.
- (3) The wages rate per unit will increase by 20%
- (4) Factory expenses of Rs.200000 are fixed. The remaining factory expenses will be in the same proportion to materials consumed and wages as in the previous year.
- (5) The total administration expenses increase by 66.666 %
- (6) Selling expenses will be Rs.360000
- (7) The profit desired is 20% on sales

Prepare a cost statement maximum possible break-up of cost per unit, total cost, and profit per unit and total profit for 2016-17 and 2017-18
