Unit 9 - Week 8

Course outline

Week 1

Week 2

Week 3

Week 4

Week 5

Week 6

Week 7

Week 8

Analysis

Leverage

Week 9

Week 10

Week 11

Week 12

Feedback

Text Transcripts

Download Videos

Introduction to Break-Even

Analysis of Break-Even Time

Economic Order Quantity

Introduction to Leverage

Ouiz: Assignment 8

Solution for Assignment 8

Financial Leverage and Total

and Dual Break-Even Points

How to access the portal

NPTEL » Financial Mathematics

income tase (Bs) 3400 3490 3490 3490 3490 3490 3490 3490	
increase (Rs.) 30250 32500 32500 32500 32500 anterest (Rs.) 1000 10940 interest (Rs.) 1000 10940 interest (Rs.) 3400 3490 anterest of shares 34000 300000 300000 30000 30000 30000 300000 300000	
Discreting expenses (Rs.) 10100 1094	
Income tases (Rs.) 3400 3490 1.00 1.00 1.20 1.20 1.20 1.20 1.50 No. the answer is incorrect. Score of the state of combined leverage would be searched Answers. 2.0 In the last two years, a small firm managed to increase its sales revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be revenue from Rs. 88000 to Rs. 96000. Its earnings per s	
1.00 1.00 1.00 1.20	
1.00 1.20 1.28 1.50 No. the answer is incorrect. Score: 0 Accepted Answers: 1.28 2) In the last two years, a small firm managed to increase its sales revenue from Rs. 88000 to Rs. 98000. Its earnings per share have also be creasing, from 1.05 to 1.56. The degree of combined leverage would be 6.00 6.00 6.50 6.50 No. the answer is incorrect. Score: 0 Accepted Answers: 5.34 3) Which of the following is true for inventory control? Economic order quantity has minimum total cost per order Inventory carrying costs increases with quantity per order Ordering cost decreases with fol size All of the above No. the answer is incorrect. Score: 0 Accepted Answers: 4) To increase margin of safety, the following measures can be taken 1) increase in sales price 1) increase in sales price 1) increase the output 1) Reduce the fixed and variable costs high of the following is/are true? Only i 1.6 ii. ii. ii. ii. ii. ii. ii. iii. iii	
1.20 1.28 1.50	
1.26 1.50 1.50 No. the answer is incorrect. Score: 0 2	
No, the answer is incorrect. Score: 0 Accepted Answers: 1.28 2] In the last two years, a small firm managed to increase its sales revenue from Rs. 88000 to Rs. 96000, its earnings per share have also be creasing, from 1.05 to 1.56. The degree of combined leverage would be 6.00 6.00 6.50 6.50 6.53.4 5.50 No, the answer is incorrect. Score: 0 No, the answer is incorrect. Score: 0 3 Which of the following is true for inventory control? Connomic order quantity has minimum total cost per order Inventory carrying costs increases with quantity per order Ordering cost decreases with it is size All of the above No, the answer is incorrect. Score: 0 Accepted Answers: All of the above 4) To increase margin of safety, the following measures can be taken 1) increase the output 1i) Reduce the fixed and variable costs hich of the following is/are true? Only! 1 is it 1 is	
No. the answer is incorrect. 2.0 In the last two years, a small firm managed to increase its sales revenue from Rs. 88000 to Rs. 98000. Its earnings per share have also be creasing, from 1.05 to 1.55. The degree of combined leverage would be 0.00 0.50 0.534 0.50 0.534 0.50 0.50 0.50 0.50 0.50 0.50 0.50 0.5	
Score: 0 Accepted Answers: 1.28 2) In the last two years, a small firm managed to increase its sales revenue from Rs. 88000 to Rs. 96000. Its earnings per share have also be creasing, from 1.05 to 1.56. The degree of combined leverage would be 6.00 6.50 6.50 8.54 5.50 No, the answer is incorrect. Score: 0 Accepted Answers: 6.33 3) Which of the following is true for inventory control? Economic order quantity has minimum total cost per order Inventory carrying costs increases with quantity per order Ordering cost decreases with lot size All of the above No, the answer is incorrect. Score: 0 Accepted Answers: All of the above 4) To increase margin of safety, the following measures can be taken 1) increase the output 1ii) Reduce the fixed and variable costs hich of the following is/are true? Only ! I & ii I, ii, & iii No, the answer is incorrect. Score: 0 Accepted Answers: Accept	
Accepted Answers: 2.) In the last two years, a small firm managed to increase its sales revenue from Rs. 88000 to Rs. 98000. Its earnings per share have also be creasing, from 1.05 to 1.55. The degree of combined leverage would be 0.00 0.50 0.50 0.53 0.50 No. the answer is incorrect. Score: 0 Conomic order quantity has minimum total cost per order inventory carrying costs increases with quantity per order inventory carrying costs increases with quantity per order inventory carrying cost sincreases with lot size All of the above No. the answer is incorrect. Score: 0 In ordering ost decreases with it of size In ordering ost decreases with it of size In ordering ost decreases with lot size In ordering ost decreases of size	
2 In the last two years, a small firm managed to increase its sales revenue from Rs. 88000 to Rs. 98000. Its earnings per share have also be creasing, from 1.05 to 1.56. The degree of combined leverage would be 0.00	
creasing, from 1.05 to 1.56. The degree of combined leverage would be 0.00 0.50 0.50 0.53 0.54 0.50 No, the answer is incorrect. Score: 0 Accepted Answers: 0.34 0.59 Which of the following is true for inventory control? Economic order quantity has minimum total cost per order Inventory carrying costs increases with quantity per order Ordering cost decreases with lot size All of the above No, the answer is incorrect. Score: 0 Accepted Answers: All of the above 4) To increase margin of safety, the following measures can be taken i) increase in sales price i) increase the output ii) Reduce the fixed and variable costs hich of the following is/are true? Only i ii & ii ii & ii ii ii & ii ii ii & ii & ii ii & ii ii & ii ii & ii & ii ii & ii ii & ii & ii ii & ii ii & ii & ii & ii ii & ii & ii & ii ii & ii	
6.00 6.50 6.50 No, the answer is incorrect. Scorec 0 Economic order quantity has minimum total cost per order Inventory carrying costs increases with lost size Inventory carrying cost increases with lost size All of the above No, the answer is incorrect. Scorec 0 No, the answer is incorrect. Scorec 1 No increase margin of safety, the following measures can be taken I) Increase in sales price II) Increase in sales price III) III III III III III III III III II	en
6.50 6.54 6.50 No, the answer is incorrect. Score: 0 No, the answer is incorrect. Score: 0 No. the answer is incorrect. Score: 0 No. the answer is incorrect. Score: 0 No. the following is true for inventory control? Economic order quantity has minimum total cost per order Inventory carrying costs increases with quantity per order Ordering cost decreases with lot size All of the above No. the answer is incorrect. Score: 0 No. the answer is incorrect. Norm: 0 No increase margin of safety, the following measures can be taken I) increase in sales price I) increase the output III is not of the following is/are true? Only I I & II II & II No. the answer is incorrect. Score: 0 Rs. 2 Rs. 20 Rs.	
6.34	
No, the answer is incorrect. Score: 0 Accepted Answers: 5.34 3) Which of the following is true for inventory control? Economic order quantity has minimum total cost per order Inventory carrying costs increases with lot size All of the above No, the answer is incorrect. Score: 0 Accepted Answers: All of the above 4) To increase margin of safety, the following measures can be taken i) increase in sales price ii) increase the output iii) Reduce the fixed and variable costs hich of the following is/are true? Only I ii	
No, the answer is incorrect. Score: 0 Accepted Answers: 5.34 3) Which of the following is true for Inventory control? Economic order quantity has minimum total cost per order Inventory carrying costs increases with quantity per order Ordering cost decreases with lot size All of the above No, the answer is incorrect. Score: 0 Accepted Answers: All of the above 4) To increase margin of safety, the following measures can be taken i) increase in sales price ii) increase in sales price iii) neroase the output iii) Reduce the fixed and variable costs All ii i	
No, the answer is incorrect. Score: 0 Accepted Answers: 5.34 3) Which of the following is true for Inventory control? Economic order quantity has minimum total cost per order Inventory carrying costs increases with quantity per order Ordering cost decreases with lot size All of the above No, the answer is incorrect. Score: 0 Accepted Answers: All of the above 4) To increase margin of safety, the following measures can be taken i) increase the output ii) increase the output iii) Reduce the fixed and variable costs Which of the following is/are true? Only i ii i	
Score: 0 Accepted Answers: 5.34 3) Which of the following is true for inventory control? Economic order quantity has minimum total cost per order Inventory carrying costs increases with quantity per order Ordering cost decreases with lot size All of the above No, the answer is incorrect. Score: 0 Accepted Answers: All of the above 4) To increase margin of safety, the following measures can be taken i) increase in sales price ii) increase in sales price ii) increase the output iii) Reduce the fixed and variable costs fixible of the following is/are true? Only i i & ii ii & iii ii & iii ii & iii iii, ii, a, iii No, the answer is incorrect. Score: 0 Accepted Answers: I, ii, & iii No, the answer is incorrect. Score: 0 Rs. 2 Rs. 0.2 Rs. 20	
3) Which of the following is true for inventory control? Economic order quantity has minimum total cost per order Inventory carrying costs increases with quantity per order Ordering cost decreases with lot size All of the above No, the answer is incorrect. Score: 0 10 To increase margin of safety, the following measures can be taken Increase in sales price Increase in sales price Increase the output Increase in sales price Increase in sales	
3) Which of the following is true for Inventory control? Economic order quantity has minimum total cost per order Inventory carrying costs increases with quantity per order Ordering cost decreases with lot size All of the above No, the answer is incorrect. Score: 0 Accepted Answers: All of the above 4) To increase margin of safety, the following measures can be taken i) increase the output iii) Reduce the fixed and variable costs flich of the following is/are true? Only i i & ii & iii ii & iii ii ii & iii ii & iii ii i	
Economic order quantity has minimum total cost per order Inventory carrying costs increases with quantity per order Ordering cost decreases with lot size All of the above No, the answer is incorrect. Score: 0 Accepted Answers: All of the above All of the above To increase margin of safety, the following measures can be taken Increase in sales price Ill increase in sales price Ill increase the output Ill increase the fixed and variable costs Increase in fixed and variable costs Increase in sales price Ill increase in sales pric	
Inventory carrying costs increases with quantity per order Ordering cost decreases with lot size All of the above No, the answer is incorrect. Score: 0 Accepted Answers: All of the above 4) To increase margin of safety, the following measures can be taken i) increase in sales price ii) increase the output iii) Reduce the fixed and variable costs hich of the following is/are true? Only i i i & ii ii & iii iii & iii & iii iii & iii iii & iii & iii & iii iii & iii & iii & iii iii & iii & iii & iii & iii iii & iii & iii & iii & iii & iii iii & iii iii & iii & iii & iii & iii	
Ordering cost decreases with lot size All of the above No, the answer is incorrect. Score: 0 Accepted Answers: All of the above 4) To increase margin of safety, the following measures can be taken i) Increase in sales price ii) Increase the output iii) Reduce the fixed and variable costs Thich of the following is/are true? Only i i & ii ii & ii ii & ii ii & ii ii, ii, ii ii No, the answer is incorrect. Score: 0 Accepted Answers: i, ii, & iii If EOQ = 10000 units, order costs are Rs. 2000 per order, and sales total 5000 units, what is the carrying cost per unit? Rs. 2 Rs. 0.2 Rs. 20 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
No, the answer is incorrect. Score: 0 4) To increase margin of safety, the following measures can be taken i) Increase in sales price ii) Increase the output iii) Reduce the fixed and variable costs hich of the following is/are true? Only i i à à ii ii à iii ii ii à iii ii i, ii, ii, iii No, the answer is incorrect. Score: 0 Accepted Answers: i, ii, & iii Sha : 2 Rs. 2 Rs. 2 Rs. 20 Rs. 20 Rs. 2.1 Rs. 20	
No, the answer is incorrect. Score: 0 Accepted Answers: All of the above 4) To increase margin of safety, the following measures can be taken i) increase in sales price ii) Increase the output iii) Reduce the fixed and variable costs thich of the following is/are true? Only i i & ii ii & iii ii & iii ii & iii ii ii & iii ii ii & iii ii	
Score: 0 Accepted Answers: All of the above 4) To increase margin of safety, the following measures can be taken i) increase in sales price ii) Increase the output iii) Reduce the fixed and variable costs thich of the following is/are true? Only I i & ii ii & iii ii i, ii, & iii No, the answer is incorrect. Score: 0 Accepted Answers: i, ii, & iii for the COQ = 10000 units, order costs are Rs. 2000 per order, and sales total 5000 units, what is the carrying cost per unit? Rs. 2 Rs. 0.2 Rs. 20 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
Score: 0 Accepted Answers: All of the above 4) To increase margin of safety, the following measures can be taken i) increase in sales price ii) Increase the output iii) Reduce the fixed and variable costs thich of the following is/are true? Only i i & ii ii & iii ii &	
All of the above 4) To increase margin of safety, the following measures can be taken i) increase in sales price ii) Increase the output iii) Reduce the fixed and variable costs blich of the following is/are true? Only i i & ii ii & iii ii, ii, ii, iii No, the answer is incorrect. Score: 0 Accepted Answers: i, ii, & iii 5) If EOQ = 10000 units, order costs are Rs. 2000 per order, and sales total 5000 units, what is the carrying cost per unit? Rs. 2 Rs. 0.2 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 Graph of the cost of insurance and taxes are included in Cost of ordering	
4) To increase margin of safety, the following measures can be taken i) Increase in sales price ii) Increase the output iii) Reduce the fixed and variable costs thich of the following is/are true? Only i i & ii ii & iii ii & iii ii & iii ii & iii No, the answer is incorrect. Score: 0 Accepted Answers: i, ii, & iii If EOQ = 10000 units, order costs are Rs. 2000 per order, and sales total 5000 units, what is the carrying cost per unit? Rs. 2 Rs. 0.2 Rs. 20 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 Rs. 0.1 No, the answer is incorrect. Score: 0 Cost of ordering	
i) Increase in sales price ii) Increase the output iii) Reduce the fixed and variable costs hich of the following is/are true? Only i i & ii & ii ii & iii ii & iii ii , ii ,	
i) Increase in sales price ii) Increase the output iii) Reduce the fixed and variable costs fhich of the following is/are true? Only i i & ii ii & iii ii & iii ii ii & iii ii ii & iii ii ii ii iii ii ii ii iii ii ii ii	
ii) Increase the output iii) Reduce the fixed and variable costs //hich of the following is/are true? Only i i & ii i & iii i, ii, & iii No, the answer is incorrect. Score: 0 Accepted Answers: i, ii, & iii Shane 2 Rs. 20 Rs. 0.2 Rs. 20 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Core: 0 Rs. 20 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 Grane 3 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 Grane 3 Grane 4 Grane	
/hich of the following is/are true? Only i i & ii ii & iii ii, ii, ii, iii No, the answer is incorrect. Score: 0 Accepted Answers: i, ii, ii iii Shift EOQ = 10000 units, order costs are Rs. 2000 per order, and sales total 5000 units, what is the carrying cost per unit? Rs. 2 Rs. 0.2 Rs. 0.2 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 Rs. 0.1 No, the answer is incorrect. Score: 0 Cost of insurance and taxes are included in Cost of ordering	
Only i i & ii ii & iii No, the answer is incorrect. Score: 0 Accepted Answers: i, ii, & iii 5) If EOQ = 10000 units, order costs are Rs. 2000 per order, and sales total 5000 units, what is the carrying cost per unit? Rs. 2 Rs. 0.2 Rs. 0.2 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
i & ii ii & iii ii & iii ii, ii, & iii No, the answer is incorrect. Score: 0 Accepted Answers: i, ii, & iii 5) If EOQ = 10000 units, order costs are Rs. 2000 per order, and sales total 5000 units, what is the carrying cost per unit? Rs. 2 Rs. 0.2 Rs. 0.0 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
i & ii ii & iii ii & iii ii, ii, & iii No, the answer is incorrect. Score: 0 Accepted Answers: i, ii, & iii 5) If EOQ = 10000 units, order costs are Rs. 2000 per order, and sales total 5000 units, what is the carrying cost per unit? Rs. 2 Rs. 0.2 Rs. 0.2 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
ii & iii i, ii, & iii No, the answer is incorrect. Score: 0 Accepted Answers: i, ii, & iii 5) If EOQ = 10000 units, order costs are Rs. 2000 per order, and sales total 5000 units, what is the carrying cost per unit? Rs. 2 Rs. 0.2 Rs. 20 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
i, ii, & iii No, the answer is incorrect. Score: 0 Accepted Answers: i, ii, & iii 5) If EOQ = 10000 units, order costs are Rs. 2000 per order, and sales total 5000 units, what is the carrying cost per unit? Rs. 2 Rs. 0.2 Rs. 20 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
No, the answer is incorrect. Score: 0 Accepted Answers: i, ii, & iii 5) If EOQ = 10000 units, order costs are Rs. 2000 per order, and sales total 5000 units, what is the carrying cost per unit? Rs. 2 Rs. 0.2 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
Score: 0 Accepted Answers: i, ii, & iii 5) If EOQ = 10000 units, order costs are Rs. 2000 per order, and sales total 5000 units, what is the carrying cost per unit? Rs. 2 Rs. 0.2 Rs. 20 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
Accepted Answers: i, ii, & iii 5) If EOQ = 10000 units, order costs are Rs. 2000 per order, and sales total 5000 units, what is the carrying cost per unit? Rs. 2 Rs. 0.2 Rs. 20 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
 i, ii, & iii 5) If EOQ = 10000 units, order costs are Rs. 2000 per order, and sales total 5000 units, what is the carrying cost per unit? Rs. 2 Rs. 0.2 Rs. 20 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering 	
Rs. 2 Rs. 0.2 Rs. 20 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
Rs. 2 Rs. 0.2 Rs. 20 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
Rs. 0.2 Rs. 20 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
Rs. 20 Rs. 0.1 No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
No, the answer is incorrect. Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
Score: 0 Accepted Answers: Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
Rs. 0.2 6) The cost of insurance and taxes are included in Cost of ordering	
Cost of ordering	
Cost of ordering	
0-1	
O Set up cost	
O Inventory carrying cost	
Ocst of shortages	
No, the answer is incorrect.	
Score: 0	
Accepted Answers: Inventory carrying cost	
mismory during door	
7) Margin of safety is equal to	

No, the answer is incorrect. Score: 0 Accepted Answers:

Actual sales - Sales at Breakeven point

440

8) The order cost per order of an inventory is Rs. 400 with an annual carrying cost of Rs. 10 per unit. The Economic Order Quantity (EOQ) for an annual 1 point

Actual sales - Sales at Breakeven point

Actual sales + Sales at Breakeven point

Actual sales x Sales at Breakeven point

Actual sales / Sales at Breakeven point

demand of 2000 units is **400**

1 point

1 point

480 500 No, the answer is incorrect. Score: 0 Accepted Answers: 400

Fixed cost = Rs. 2000000 Variable cost per unit = Rs. 100

9) Alpha Associates has the following details:

Selling price per unit = Rs. 200 The break-even sales quantity will be

 10000 units 20000 units

No, the answer is incorrect. Score: 0 Accepted Answers:

15000 units

25000 units

10) Alpha Associates has the following details:

20000 units

Fixed cost = Rs. 2000000 Variable cost per unit = Rs. 100 Selling price per unit = Rs. 200

If the actual production quantity is 60000 units, then contribution will be

Rs. 2000000 Rs. 6000000

No, the answer is incorrect. Score: 0 Accepted Answers:

Rs. 6000000

Rs. 12000000

Rs. 3000000