PG Even Semester Examination, May 2025

BUSINESS ADMINISTRATION
(2nd Semester)

Course No.: DSC-557/CP-207
(Management Accounting & Control)

Full Marks: 70
Pass Marks: 28

Time: 3 hours

The figures in the right margin indicate full marks for the question.

1. (a) Explain cost centre and cost unit with example. 2+2=4

(b) From the following information prepare a cost sheet for the month ended 30.04.2025. 10

Particulars	₹	Particulars	₹
Opeing Stock		Salary	
Raw materials	50,000	Office	2,00,000
w-i-p	30,000	Factory	1,00,000
Finished goods	70,000	Selling staffs	1,50,000
Raw materials		Stationary	1,000
purchased	2,00,000	Advertisement	15,000
Wages	60,000	Depreciation	
Direct Expenses	20,000	Factory	5000
Rent- Factory	1,00,000	Office	10,000
Office	60,000	Computer	

Turn Over

Telephone charges		Purschased	50,000
charges office	2000	(on 21.04.2025)	
Sales Deptt.	1500	Interest paid	10,000
		Sales	15,00,000

2. (a) Write a note on idle time cost and overtime cost. 3+3=6

(b) During the month of April 2025— 5 persons left the organisation, 20 persons took voluntary retirement, 15 persons were added in their place and 80 persons were recruited for a new brand expansion. Average workers during the month was 600. Calculate labour turnover under separation method and Flux method. 2+2=4

(c) Distinguish between job evaluation and marit rating. 4

Or

3. (a)

Activity Level (Units) (Units)	Total Overhead Cost (₹)
20,000	90,000
25,000	?
30,000	1,22,000

find out total fixed overhead and variable overhead per unit. 4

(b) Distinguish between allocation and absorption of overhead. 5

(c) Explain machine hour rate with example. 5

The quantity produced was 182 kgs of good product. Calculate variances. 14

8. (a) Distinguish between marginal costing and absorption costing. 4

(b) From the following calculate profit under marginal costing and absorption costing for a production= 5000 units, 6000 units and 7000 units and sales= 5000 units for all the volumes of productions- 10

Selling Price = ₹60 per unit.

Variable cost of production (per unit)= ₹35

Fixed cost = ₹30,000 which are absorbed on the basis of normal capacity of 5000 units per period. Rent= ₹19000.

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(c) For contracts which are almost complete. 4

6. From the following information calculate labour variances- 14

Standard

Labour force	Standard Hours	Standard Rate (₹)
Skilled	2	5
Semi-skilled	3	3
Unskilled	5	3

Actual Labour Force	Actual Hours	Actual Rate
Skilled	9000	7
Semi-skilled	17000	2.75
Unskilled	30000	1.50

Total hours paid for included 1000 idle hours out of which 500 hours pertain to skilled, 400 hours pertain to semi-skilled and the balance pertain to unskilled labour.

Actual output= 5000 units.

Or

7. The standard cost of a chemical mixture is as thus- 40% Material C at ₹20 per kg. 60% Material D at ₹30 per kg. A standard loss of 10% of input is expected in production. The cost records for a period shows the following usage— 90 kg of Material C at a cost of ₹18 per kg. 110 kg of Material D at a cost of ₹34 per kg.

4. A product is completed in three consequetive processes. During a particular month, the input to process I of the basic raw material was 5000 units at ₹2 per unit. Other information for the month was as follows: 3+3+3+2.5+2.5=14

Particulars	Process-I	Process-II	Process-III
Output (units)	4700	4300	4050
Normal loss as % of input	5%	10%	5%
Scrap value per Unit (₹)	1	5	6
Direct wages (₹)	3000	5000	8000
Direct expenses (₹)	9750	9910	15500

Overhead ₹32,000 total chargeable as percentage of direct wages. There was no opening or closing work in progress.

You are required to prepare the three process accounts, abnormal loss account and abnormal gain account.

Or

5. (i) Explain the concept of National profit. 4

(ii) Explain in detail how will you calculate profit in respect of contracts costing under the following circumstances—

(a) For contracts which have just started. 2

(b) For contracts which have sufficiently advanced. 4