

PG Even Semester (CBCS) Exam., April—2017

BUSINESS ADMINISTRATION

( 2nd Semester )

Course No. : MBACC-202

Full Marks : 70

Pass Marks : 28

Time : 3 hours

*The figures in the margin indicate full marks  
for the questions*

Candidates are to answer *either* from CP-202 (A)  
*or* CP-202 (B)

Course No. : CP-202 (A)

( MANAGEMENT ACCOUNTING AND CONTROL )

Answer **all** questions

1. (a) "Management Accounting plays an important role in decision making." Explain. 4
- (b) The following information have been obtained from the records of Sigma Manufacturing Unit. You are required to

prepare a Cost Sheet in order to arrive at the selling price when Sigma makes 10% profit on sale : 10

	₹
Purchase of Raw Materials	69,000
Works Overhead	37,000
Sale of Finished Goods	1,40,000
Carriage Inward	6,000
Wages	80,000
Stock on 1st April, 2016 :	
Raw Materials	19,000
Finished Goods (500 units)	10,000
Stock on 31st March, 2017 :	
Raw Materials	12,000
Finished Goods (1100 units)	30,000
Work-in-Progress :	
1st April, 2016	5,000
31st March, 2017	9,000

9500 units were produced during the year. Selling and distribution overhead is 10% of cost of production.

2. (a) State the applicabilities of job costing, batch costing and contract costing. 4

( 3 )

(b) The Books of Accounts of ABC Ltd. shows that the profit figures reported by Cost Accountant and Financial Accountant do not match.

You are required to reconcile the profit figures using the following information : 10

	Cost Accounts ₹	Financial Accounts ₹
Profit	27,040	1,12,870
Depreciation	98,260	1,05,200
Opening Stock	2,75,100	2,55,000
Closing Stock	1,82,180	1,87,500
Profit on Sale of Assets	—	8,500
Commission Received	—	26,350
Rent Charges	32,500	—

**OR**

3. (a) Why are material cost and labour cost important to control? 4
- (b) You are a newly recruited management trainee in ABC Construction Ltd. What techniques would you use to control material cost and labour cost? 10
4. (a) Do you think that budget and forecast are the same thing? Give reasons to justify your answer. 4

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( Turn Over )

( 4 )

(b) Prepare a cash budget for three months ending on 31st March, 2017 : 10

Months	Purchases ₹	Sales ₹	Overheads		
			Production ₹	Administration ₹	Selling ₹
Oct.	9,000	30,000	4,000	3,000	15,000
Nov.	12,000	40,000	11,000	7,900	14,000
Dec.	7,000	28,000	7,000	3,400	19,000
Jan.	15,000	36,000	9,500	5,000	8,000
Feb.	6,000	20,000	6,400	6,000	10,000
March	19,000	11,000	3,000	9,000	11,000

*Additional Information :*

- (i) Cash balance as on 31st December —₹ 90,000
- (ii) Purchase 20% in cash and sales 15% in cash
- (iii) Purchase one-month credit and sales two-month credit
- (iv) Production overhead paid on the following month
- (v) Administrative cost 50% paid in current month and 50% in the next month
- (vi) 10% sales commission paid during the month
- (vii) ₹ 15,000 insurance premium is to be paid during February

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( Continued )

( 5 )

OR

5. Calculate the following : 14

- (a) Material Mix Variance
- (b) Material Usage Variance
- (c) Material Cost Variance
- (d) Material Price Variance
- (e) Material Yield Variance

The information are :

30% of material A at ₹ 30 per kg

70% of material B at ₹ 45 per kg

A standard loss of 7% is expected during the production. The actual output was 470 kg and actual materials used were :

137 kg of material A at ₹ 34 per kg

300 kg of material B at ₹ 42 per kg

6. Write short notes on the following : 14

- (a) Make- or -buy decision
- (b) Margin of safety
- (c) Absorption costing
- (d) Sales budget

OR

7. (a) What is the usefulness of cost-volume-profit analysis in business organization? 4

( 6 )

(b) The following information are given below :

	₹
Sales	4,00,000
Fixed Costs	1,80,000
Variable Costs	2,70,000

Calculate the following : 10

- (i) P/V ratio
- (ii) Break-even point
- (iii) Ascertain by how much the value of sales must be increased by the company to achieve break even.

8. (a) "Standard costing is more useful than budgetary control." Comment on this. 4

(b) A product passess three processes, i.e., I, II and III. The following information are given below.

Prepare Process A/c assuming that there is a process loss of 10%, 5% and 7% respectively : 10

	Processes		
	I	II	III
	₹	₹	₹
Materials	4,000	3,000	2,400
Labour	4,000	7,000	4,000
Indirect Expenses	2,700	1,200	1,500

₹ 10,000 overhead expenses are to be adjusted as per the ratio of materials.

( 7 )

Course No. : CP-202 (B)

( **HOSPITALITY AND TOURISM MANAGEMENT** )

1. Define tourism and explain the various types of tourism in detail. 4+10=14
2. How does international tourism differ from domestic tourism? Examine the trends and pattern of growth of international tourism in the recent past. 4+10=14

**OR**

3. Explain the concept of tourist area life cycle. Show how this concept can be applied for planning the tourism development in a new and emerging destination. 6+8=14
4. Why is it important for tourism promotion organizations to understand tourist motivation? Discuss how travel behaviours of tourists vary according to their specific motivations. 6+8=14

**OR**

5. List the major determinants of tourism demand. How will you measure the demand for a tourist destination? Discuss. 7+7=14

( 8 )

6. Discuss the characteristics and the structure of the hospitality industry in India. 7+7=14

**OR**

7. How does value addition occur in the hospitality industry? List the important amenities and support services that are considered integral parts of the value addition package. 14
8. Write brief notes on the following :  $3\frac{1}{2}\times 4=14$ 
  - (a) Sustainable tourism
  - (b) Important of housekeeping
  - (c) Procedure of handling of guest complaints
  - (d) Environment-friendly waste disposal methods for hotels

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