6013

Third Semester 5 Year B.B.A.LL.B. Examination, January/February 2025 (Odd Sem.)
COST AND MANAGEMENT ACCOUNTING

Duration : 3 Hours | Max. Marks : 80

Instructions : **1. Answer all five Units.**
2. One essay type question and short note/problems is compulsory from each Unit.
3. Figures to the right indicate marks.
4. Answer should be written in English.

UNIT – I

Q. No. 1. (a) What is Budgetary Control ? Explain the advantages and disadvantages of Budgetary Control. Marks : 10

OR

Q. No. 1. (a) Draw up a flexible budget for overhead expenses on the basis of the following data. Determine the overhead rates at 70%, 80% and 90% plant capacity. Marks : 10

	80% capacity (800 units) Per unit (Rs.)
Variable overheads :	
Indirect labour	12
Stores including spares	4
Semi variable overheads :	
Power (30% fixed and 70% variable)	20
Repairs and maintenance (60% fixed and 40% variable)	2
Fixed overheads :	
Depreciation	11
Insurance	3
Salaries	10
Total overheads	62

P.T.O.

Q. No. 1. (b) Distinguish between fixed and flexible budget. Marks : 6

OR

Q. No. 1. (b) What do you mean by functional budgets and explain its types. Marks : 6

UNIT – II

Q. No. 2. (a) Explain the differences between standard costing and budgetary control. Marks : 10

OR

Q. No. 2. (a) Define standard costing. Explain the significance of standard costing as a technique of cost control. Marks : 10

Q. No. 2. (b) Distinguish : Standard cost and estimated cost. Marks : 6

OR

Q. No. 2. (b) Explain advantages of standard costing. Marks : 6

UNIT – III

Q. No. 3. (a) Explain the following terms : Marks : 10

1) Material price variance
2) Labour mix variance
3) Overhead cost variance.

OR

Q. No. 3. (a) The standard mix to produce one unit of product is as follows : Marks : 10

material A

60 units @ Rs. 15 per unit = 900

material B

80 units @ Rs. 20 per unit = 1,600

material C

100 units @ Rs. 25 per unit = 2,500

240 units **5,000**

During the month of July, 10 units were actually produced and consumption was as follows :

A : 640 units @ 17.50 per unit = 11,200

B : 950 units @ 18 per unit = 17,100

C : 870 units @ 27.50 per unit = 23,925

2460 units **52,225**

Calculate :

1) Material cost variance
2) Material price variance
3) Material usage variance.

Q. No. 3. (b) Calculate labour variance from the following data : Marks : 6

The standard labour force for producing product A is

20 Semi skilled workers @ Rs. 75 per hour for 50 hours.

10 skilled workers @ Rs. 125 per hour for 50 hours.

The actual labour force employed for producing product 'A' is

22 semi skilled workers @ Rs. 80 per hour for 50 hours.

8 skilled workers @ Rs. 120 per hour for 50 hours.

Calculate :

a) Labour cost variance
b) Labour rate variance
c) Labour efficiency variance.

OR

Q. No. 3. (b) Explain labour cost variance, labour rate variance and labour efficiency variance. Marks : 6

UNIT – IV

Q. No. 4. (a) Explain cost audit report rules. Marks : 10

OR

Q. No. 4. (a) Explain requisites for installation of uniform costing system. Marks : 10

Q. No. 4. (b) Explain duties of cost auditor. Marks : 6

OR

Q. No. 4. (b) Write a short note on inter firm comparison. Marks : 6

UNIT – V

Q. No. 5. (a) Explain advantages and limitations of management audit. Marks : 10

OR

Q. No. 5. (a) Explain the significance of social audit. Marks : 10

Q. No. 5. (b) Write a note on management auditor and social auditor. Marks : 6

OR

Q. No. 5. (b) Explain the objectives of management audit. Marks : 6