

**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 2

(60% fixed and 40% variable)

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