6013

# III Semester 5 Yr. B.B.A., LL.B. Examination, July/August 2026
## 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 either in English or Kannada completely.**
5. **Use simple calculator.**

## UNIT – I

Q. No. 1. (a) Prepare a Cash Budget for the three months ending 30th June 2020 from the information given below. Marks : 10

| Months | Sales (₹) | Materials (₹) | Wages (₹) | Overheads (₹) |
|---|---|---|---|---|
| February | 14,000 | 9,600 | 3,000 | 1,700 |
| March | 15,000 | 9,000 | 3,000 | 1,900 |
| April | 16,000 | 9,200 | 3,200 | 2,000 |
| May | 17,000 | 10,000 | 3,600 | 2,200 |
| June | 18,000 | 10,400 | 4,000 | 2,300 |

Additional information :

i) Credit terms are : Sales and Debtors – 10% sales are on cash, 50% of the credit sales are collected in the next month and the balance in the second month.

ii) Creditors – Materials – 2 months

Wages – 1 month

Overheads – 1 month

iii) Cash and Bank Balance on 1st April 2020 is expected to be ₹ 6,000.

iv) Plant and machinery is installed in February 2020 at a cost of ₹ 96,000. The monthly instalment of ₹ 2,000 is payable from April onwards.

v) Income tax (advance) to be paid in June is ₹ 2,000.

OR

What do you mean by 'Functional Budgets' ? Discuss the classification of Functional Budgets.

Q. No. 1 (b) Write short note on : Marks : 6

Budgetary control.

OR

Essentials of effective Budgeting.

P.T.O.

## UNIT – II

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

OR

Discuss the advantages and limitations of standard costing.

Q. No. 2. (b) Write short note on : Marks : 6

Steps in establishing standard costing system.

OR

Types of standards.

## UNIT – III

Q. No. 3. (a) The details regarding the composition and the weekly wage rates of labour force engaged on a job scheduled to be completed in 30 weeks are as follows : Marks : 10

| Category of workers | Standard | | Actual | |
|---|---|---|---|---|
| | No. of workers | Weekly wage rate per worker | No. of workers | Weekly wage rate |
| Skilled | 75 | ₹ 60 | 70 | ₹ 70 |
| Semi-skilled | 45 | ₹ 40 | 30 | ₹ 50 |
| Unskilled | 60 | ₹ 30 | 80 | ₹ 20 |

The work is actually completed in 32 weeks.

Calculate :

i) Labour cost variance
ii) Labour rate variance
iii) Labour efficiency variance
iv) Labour mix variance
v) Labour yield variance

OR

What is Material Variance ? Explain the types of Material Variances.

Q. No. 3. (b) Write short note on : Marks : 6

Overhead variances.

OR

Labour variances.

## UNIT – IV

Q. No. 4. (a) What is uniform costing ? Discuss the requisites for installation of a uniform costing system. Marks : 10

OR

What do you mean by Inter-firm comparison ? Discuss its advantages and limitations.

Q. No. 4. (b) Write short note on : Marks : 6

Cost Audit report rules.

OR

Appointment of cost auditor.

## UNIT – V

Q. No. 5. (a) What is Management Audit ? Discuss the advantages and limitations of Management Audit. Marks : 10

OR

What is Social Audit ? Explain the objectives and criticisms of Social Audit.

Q. No. 5. (b) Write short note on : Marks : 6

Social Audit Report.

OR

Management Audit Programme.

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