

ST. JOSEPH'S COLLEGE OF LAW

#18, Residency Road, Bengaluru – 560025

Midterm Examinations – November 2025

Class: II BBA LLB

Subject: Cost and Management Accounting

Max Marks: 10

Times: 1 Hr

Instructions:

1. Answer **any one** essay type questions from Part A and **any one** short note questions from Part B.
2. Essay type question carries 7 marks and the short note question carries 3 marks.

PART A

7 x 1 = 07

1. Prepare a flexible budget for production at 80% and 120% activity on the basis of following

Information:

Production at 40% capacity	- 6000 units
Raw materials	- Rs.120 per unit
Direct labour	- Rs.60 per unit
Direct Expenses	- Rs.25 per unit
Factory Expenses	- Rs.90000 (60% fixed)
Administration Expenses	- Rs.35000
Selling expenses	- Rs.60000 (45% variable)

Or

2. Discuss the objectives of standard costing.

PART B

3 x 1 = 03

3. Write meaning of cash budget, flexible budget and sales budget.

Or

4. What are the steps to be followed in standard costing system?