



III Semester 5 Year B.B.A. LL.B. Examination, December 2019
COST AND MANAGEMENT ACCOUNTING
(2018 and 2019 Batch)

Duration : 3 Hours

Max. Marks : 80

- Instructions :**
1. Answer **all** the 5 questions.
 2. **One** essay type and **one** short note question or problem from **each** unit have to be **attempted**, which is referred as Part (a) and (b) in **all** the units.
 3. **Use** simple calculator.

UNIT – I

Q. No. 1. a) Prepare flexible budget at 80% and 100% capacity. The following particulars are given at 60% capacity. Marks : 1×10=10

Variable Overhead	Rs.
Indirect labour	1,800
Indirect material	600

Semi-Variable Overheads :

Electricity (40% fixed)	30,000
Repair and maintenance (20% variable)	3,000

Fixed Overhead :

Depreciation	15,550
Insurance	5,000
Salaries	15,000
Total Overhead	70,950
Estimated Labour hrs.	1,80,000 hrs.

OR

What are the different types of functional budgets ? Explain any 5 types of functional budgets. Marks : 1×10=10

b) What is flexible budgeting ? Explain steps involved in preparation of flexible budgeting/flexible budget. Marks : 1×6=6

OR

What is ZBB ? Difference between ZBB and traditional budgeting. Marks : 1×6=6

P.T.O.



UNIT – II

Q. No. 2. a) What is standard costing? State objectives, advantages and disadvantages of standard costing.

Marks : 1×10=10

OR

Write a short note on :

Marks : 1×10=10

- i) Current standard
- ii) Basic standard
- iii) Ideal standard
- iv) Attainable standard

b) Material usage variance.

Marks : 1×6=6

OR

What are the problems in setting standard cost?

Marks : 1×6=6

UNIT – III

Q. No. 3. a) Clock Ltd. produces an article blending two basic raw materials the following standards have been setup for raw materials.

Marks : 1×10=10

Material	Standard Mix	Standard Price
A	40%	₹ 4
B	60%	₹ 3

The standard loss in processing is 15% during September 2019. The company produced 1700 Kgs of finished output the position of stock and purchases for the month of September 2019 is as under :

Material	Stock as	Stock as	Purchase during	
	on 1-9-19	on 30-9-19	Sept. 2019	
	Kg.	Kg.	Kg.	Cost
A	35	5	800	3,400
B	40	50	1200	3,000



Calculate the following variances :

- a) Materials price variance
- b) Materials usage variance
- c) Materials yield variance
- d) Materials mix variance
- e) Total material cost variance.

Assume first in first out method for the issue of material. The opening stock is to be valued at standard price.

OR

Write a short note on the following concepts :

Marks : 1×10=10

- i) Volume variance
- ii) Material cost variance
- iii) Yield variance
- iv) Labour mix variance.

b) Write a short note on :

Marks : 1×6=6

Labour efficiency variance.

OR

Overhead variance.

Marks : 1×6=6

UNIT – IV

Q. No. 4. a) What is uniform costing ? State and explain objectives and purpose of uniform costing. State merits of uniform costing system.

Marks : 1×10=10

OR

Give the provision of Indian Companies Act 1956 with reference to appointment, rights and responsibilities of cost auditor.

Marks : 1×10=10

b) Write a short note on :

Marks : 1×6=6

Types of cost audits.

OR

General features of cost accounting records.

Marks : 1×6=6



UNIT - V

Q. No. 5. a) What is management audit ? Explain objectives and criticisms against management audit. Marks : 1x10=10

OR

Explain the types of audits. Marks : 1x10=10

b) Explain the term "Social Audit". Marks : 1x6=6

OR

Distinguish between management audit and cost audit. Marks : 1x6=6

Marks : 1x10=10

Marks : 1x8=8

Marks : 1x6=6

UNIT - VI

Marks : 1x10=10

Marks : 1x10=10

Marks : 1x6=6

Marks : 1x6=6