

Third Semester 5 Year B.B.A.LL.B. Examination, April/May 2022 (Dec. 2021)

COST AND MANAGEMENT ACCOUNTING

Duration : 3 Hours

Max. Marks : 80

Instructions : 1. Answer all 5 Units.

2. One essay type and one short note question for each unit have to be answered which is referred as Part (a) and (b) in all the units.

3. Use simple calculator.

UNIT – I

Q. No. 1. a) Prepare a flexible budget for production at 80% and 100% activity on the basis of the following information :

Production at 50% capacity	5000 units
Raw materials	₹ 80 per unit
Direct labour	₹ 50 per unit
Direct expenses	₹ 15 per unit
Factory expenses	₹ 50,000 (50% fixed)
Administration expenses	₹ 60,000 (60% variable)

Marks : 10

OR

Q. No. 1. a) Explain the functional Budget.

Marks : 10

Q. No. 1. b) Write a short note on Budgetary control.

Marks : 6

OR

Q. No. 1. b) Write a short note on zero based budgeting.

Marks : 6

P.T.O.



UNIT – II

Q. No. 2. a) Distinguish between :

Marks : 10

(i) Standard cost and estimated cost

(ii) Basic standard and current standard.

OR

Q. No. 2. a) What is standard costing ? Explain principles followed while setting the standards.

Marks : 10

Q. No. 2. b) What are the limitations of standard costing ?

Marks : 6

OR

Q. No. 2. b) Differentiate standard cost and budgetary control.

Marks : 6

UNIT – III

Q. No. 3. a) Coates India Ltd. manufactures a particular product, the standard direct labour cost of which is ₹ 120 per unit whose manufacture involves the following :

Grade of workers	Hours	Rate	Amount
		₹	₹
A	30	2	60
B	20	3	60
	50		120



During a period, 100 units of the product were produced, the actual labour cost of which was as follows :

Grade of workers	Hours	Rate	Amount
		₹	₹
A	3,200	1.50	4,800
B	1,900	4.00	7,600
	5,100		12,400

Calculate :

- a) Labour cost variance
- b) Labour rate variance
- c) Labour efficiency variance
- d) Labour mix variance.

Marks : 10

OR

Q. No. 3. a) Define variance analysis. What are the types of variances ?

Marks : 10

Q. No. 3. b) Write a short note on material cost variance.

Marks : 6

OR

Q. No. 3. b) Write a short note on significance of variance analysis.

Marks : 6

UNIT – IV

Q. No. 4. a) Explain uniform costing with its scope and its merits.

Marks : 10

OR

Q. No. 4. a) What are the essential requisites for installation of uniform costing system ?

Marks : 10

Q. No. 4. b) Write a short note on audit reports rule 1963.

Marks : 6

OR

Q. No. 4. b) Write a note on inter-firm comparisons.

Marks : 6



UNIT - V

Q. No. 5. a) What are types of audits ? State merits and demerits of the management audit.

Marks : 10

OR

Q. No. 5. a) What are the steps in social audit program ?

Marks : 10

Q. No. 5. b) Explain the limitations of social audits.

Marks : 6

OR

Q. No. 5. b) Write a short note on social audit report.

Marks : 6