



0334

**III Semester 5 Year B.B.A. LL.B. Examination, March/April 2024
(Odd Sem.)**

COST AND MANAGEMENT ACCOUNTING

Duration : 3 Hours

Max. Marks : 100

- Instructions :**
1. Answer Q. No. 9 and any five of the remaining questions.
 2. Q. No. 9 carries 20 marks and the remaining questions carry 16 marks each.
 3. Answers should be written in English completely.
 4. Use simple calculator only.

Q. No. 1. Aditi Ltd. wants you to prepare the cash budget of the company for 3 months from April to June 2023. You are given the following information.

Marks :16

Month	Sales	Purchases	Overhead
Jan.	1,60,000	85,000	10,000
Feb.	1,85,000	92,000	11,500
March	2,10,000	1,00,000	13,000
April	2,45,000	1,20,000	14,500
May	1,78,000	90,000	10,500
June	1,82,000	98,000	11,000

Month	Wages	Selling Expenses
Jan.	32,000	8,000
Feb.	37,000	9,500
March	42,000	10,500
April	49,000	12,500
May	35,000	8,900
June	36,000	9,000

P.T.O.

**Additional Information :**

- A) Period of credit allowed to debtors – 2 months
- B) Period allowed by creditors – 1 month
- C) Lag in payment of wages, selling expenses and overhead – 1 month
- D) Expected cash sales – Rs. 15,000 pm
- E) Cash Balance is Rs. 10,500
- F) Purchased machinery worth Rs. 50,000 in April.

Q. No. 2. What is the meaning of budget ? Explain different types of budget. Marks : 16

Q. No. 3. State the meaning of standard costing. What are the merits and demerits of standard costing ? Marks : 16

Q. No. 4. What is the meaning of interfirm comparison ? What are its merits and prerequisites ? Marks : 16

Q. No. 5. Who is a cost auditor ? What are his rights, duties and responsibilities of a cost auditor ? Marks : 16

Q. No. 6. The standard material cost to produce 100 kilogram of a chemical mixture is as follows. Marks : 16

Material A : 30 kg @ Rs. 100 per kg

Material B : 40 kg @ Rs. 50 per kg

Material C : 50 kg @ Rs. 60 per kg

Actual production of chemical mixture for the month is 1000 Kg

Material A : 350 kg @ Rs. 90 per kg

Material B : 420 kg @ Rs. 60 per kg

Material C : 530 kg @ Rs. 70 per kg

Calculate MCV, MPV, MUV, MMV.



Q. No. 7. Find out the labour variance from the data given below. Marks : 16

Budgeted labour composition for producing 500 articles

100 men @ Rs. 15 per hour for 20 hours

200 women @ Rs. 12.5 per hour for 15 hours

Actual labour composition for producing 500 articles

120 men @ Rs. 17.5 per hour for 15 hours

200 women @ Rs. 12.5 per hour for 20 hours.

Q. No. 8. Write short note on **any two** of the following : Marks : 2×8=16

(A) Limitations of social audit

(B) Process of social audit

(C) Setting up standard costing for material and labour.

Q. No. 9. Answer **any two** of the following : Marks : 2×10=20

(A) Sachar Committee Report

(B) Zero Base Budgeting

(C) Limitations of management audit.



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**III Semester 5 Year B.B.A. LL.B. Examination, September/October 2023
(June 2023)**

COST AND MANAGEMENT ACCOUNTING

Duration : 3 Hours

Max. Marks : 100

- Instructions :**
1. Answer Q. No. 9 and any five of the remaining questions.
 2. Q. No. 9 carries 20 marks and the remaining questions carry 16 marks each.
 3. Answers should be written in English completely.

Q. No. 1. Explain the term Standard Costing. Differentiate between Standard Costing and Budgetary Control. Marks : 16

Q. No. 2. What is Budgetary Control ? Explain the importance of functional budgets. Marks : 16

Q. No. 3. A company is expecting to have Rs. 25,000 cash in hand on 1st April 2020 and it requires you to prepare an estimate of cash position in respect of three months from April to June 2020, from the information given below. Marks : 16

Month	Sales Rs.	Purchases Rs.	Wages Rs.	Miscellaneous Rs.
February	70,000	40,000	8,000	6,000
March	80,000	50,000	8,000	7,000
April	92,000	52,000	9,000	7,000
May	1,00,000	60,000	10,000	8,000
June	1,20,000	55,000	12,000	9,000

Additional information :

- (a) Period of credit allowed by suppliers two months.
- (b) 20% of sales is for cash and the period of credit allowed to customer for credit sale one month.
- (c) Delay in payment of wages and expenses one month.
- (d) Income tax Rs. 25,000 is to be paid in June 2020.

Q. No. 4. Define Variance Analysis. Bring out the causes for material cost, material price and material usage variance. Marks : 16

P.T.O.



Q. No. 5. What do you mean by Inter firm comparison ? Explain the pre-requisites for installation of Inter firm comparison. Marks : 16

Q. No. 6. What is meant by Cost Audit ? Bring out the techniques of Cost Audit. Briefly explain the steps involved in preparation of Cost Audit Report. Marks : 16

Q. No. 7. What do you mean by Social Audit Report ? State the merits and limitations of social audit. Marks : 16

Q. No. 8. Write short notes on **any two** of the following. Marks : 2×8=16

- (a) Uniform Costing
- (b) Management Audit
- (c) Distinction between standard cost and estimated cost.

Q. No. 9. Solve **any two** of the following problems. Marks : 2×10=20

- (a) The expenses of budgeted production of 20,000 units in a factory are furnished below.

Particulars	Per Unit (Rs.)
Materials	140
Labour	50
Variable overhead	40
Fixed overhead	20
Variable expenses (direct)	10
Selling expenses (10% fixed)	26
Distribution expenses (20% fixed)	14
Administrative expenses	10

Prepare a Flexible Budget for the production of 18000 units and 22000 units. Indicate cost per unit at both the levels.

- (b) Distinguish between Management Audit and Cost Audit.

- (c) For producing one unit of a product, the materials standard is :

Material X : 6 kg @ Rs. 8 per kg.

Material Y : 4 kg @ Rs. 10 per kg.

In a week, 1000 units were produced.

The actual consumption of materials was :

Material X : 5900 kg @ Rs. 9 kg

Material Y : 4800 kg @ Rs. 9.50 per kg.

Compute the various variances.



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III Semester 5 Year B.B.A.LL.B. Examination, March/April 2023 (Dec. 2022)
COST AND MANAGEMENT ACCOUNTING

Duration : 3 Hours

Max. Marks : 100

- Instructions :**
1. Answer Q. No. 9 and five of the remaining questions.
 2. Q. No. 9 carries 20 marks and the remaining questions carry 16 marks each.
 3. Answers should be written in English only.
 4. Use simple calculator only.

- | | | |
|--------|---|------------|
| Q. No. | 1. What is budgetary control ? Explain the advantages and disadvantages of budgetary control. | Marks : 16 |
| Q. No. | 2. Explain the Cost Audit Rules (Report) 1996. | Marks : 16 |
| Q. No. | 3. For production of 20000 electrical equipments, the following are the budgeted expenses. | Marks : 16 |

Particulars	Per Unit
Direct material	60
Direct wages	60
Variable overheads	50
Fixed overheads (Rs. 3,00,000)	30
Direct variable expenses	10
Selling expenses (50% variable)	30
Administration expenses (Rs. 1,00,000 fixed for all level of production)	10
Distribution expenses (30% fixed)	10
Total cost of sale per unit	260

Prepare a flexible budget for production of 14000 and 16000 units showing total cost and cost per unit.

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Q. No. 4. Define the term variance analysis and explain : Marks : 16

- (i) Idle time variance
- (ii) Material price variance
- (iii) Labour efficiency variance
- (iv) Material mix variance.

Q. No. 5. What is management audit ? State the advantages and limitations of management audit. Marks : 16

Q. No. 6. From the following particulars, calculate all material variances. Marks : 16

Material	Standard		Actual	
	Qty. in kgs	Price	Qty. in kgs	Price
P	24	20	24	18
Q	18	10	20	12
R	08	30	12	28
	50		56	

Q. No. 7. What is inter-firm comparison ? Discuss the merits and demerits of inter-firm comparison. Marks : 16

Q. No. 8. Write a short note on **any two** of the following : Marks : 2×8=16

- (a) Standard cost and estimated cost
- (b) Zero base budgeting
- (c) Differences between standard costing and budgetary control.

Q. No. 9. Solve **any two** of the following : Marks : 2×10=20

- (a) Explain the social audit programme.
- (b) Explain the qualities of cost auditor.
- (c) Using the following information, calculate :
 - Labour cost variance.
 - Labour efficiency variance
 - Idle time variance
 - Standard Hours = 6,000
 - Standard labour rate = 6 per hour
 - Actual labour rate = 3 per hour
 - Abnormal idle time due to machine breakdown = 350 hours.



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III Semester 5 Year B.B.A. LL.B.
Examination, October/November 2022 (June 2022)
COST AND MANAGEMENT ACCOUNTING

Duration : 3 Hours

Max. Marks : 100

Instructions : 1. Answer Q. No. 9 and any five of the remaining questions.

2. Q. No. 9 carries 20 Marks and the remaining questions carry 16 Marks each.

3. Answers should be written in English.

Q. No. 1. Explain the term Budgetary Control and also briefly explain the essential requisites of successful budgetary control.

Marks : 16

Q. No. 2. Define standard costing. "Standard Costing as a controlling technique" – Explain.

Marks : 16

Q. No. 3. From the following data, forecast the cash position at the end of April, May and June 2020

Marks : 16

Month	Sales (Rs.)	Purchases (Rs.)	Wages (Rs.)
Feb	60,000	42,000	5,000
Mar	65,000	50,000	6,000
Apr	40,000	52,000	4,000
May	58,000	53,000	5,000
June	44,000	40,000	4,000

Additional Information :

- 50% of sales realised in the month of sales; balance in the following month of sales.
- Purchases are paid in the month following the month of supply.
- Wages paid a month in arrears.
- First installment of advance tax Rs. 15,000 due on or before 15th June.

P.T.O.



(e) Income from Investment : Rs. 3,000 received quarterly in April, July etc.

(f) Cash in hand : Rs. 3,000 on 1st April 2020.

Q. No. 4. Define variance analysis. Bring out the causes for material cost, material price and material usage variance. Marks : 16

Q. No. 5. Define uniform costing. Briefly explain the objectives, merits and demerits of uniform costing system. Marks : 16

Q. No. 6. Give the provisions of Indian Companies Act, 1956 with reference to appointment, rights and responsibilities of cost auditor. Marks : 16

Q. No. 7. What is Management Audit ? Explain the objectives of Management Audit and also explain the steps in Management Audit process. Marks : 16

Q. No. 8. Write short note on **any two** of the following : Marks : 2×8=16

(a) Differentiate between standard cost and estimated cost.

(b) Cost Audit Report.

(c) Social Audit Programme.

Q. No. 9. Solve **any two** of the following problems : Marks : 2×10=20

(a) Explain the Cost Audit Rules.

(b) The following information relate to a flexible budget at 60% capacity. Find out the overhead costs at 70% and 80% capacity and also determine the overhead sales.

Particulars	Expenses at 60% (Rs.)
Variable Overheads :	
Indirect Labour	12,500
Indirect Materials	10,400
Semi-Variable Overheads :	
Repairs and maintenance (60% Fixed)	10,000
Electricity (50% Fixed)	22,500



Fixed Overheads :

Office Expenses	75,000
Insurance	4,500
Depreciation	20,000
Estimated direct labour hours	1,20,000 hours.

- (c) From the following information, find out labour cost variance, labour rate variance and labour efficiency variance.

Standard :

Output 1000 units
Rate @ Rs. 76 per unit
Time taken 50 hours

Actual :

1200 units Output
Rate of payment Wages paid with bonus 78,000
Time taken 40 hours.

Month	Rate (Rs.)	Wages (Rs.)	Wages (Rs.)
Jan	60,000	12,000	6,000
Feb	65,000	13,000	6,500
Mar	70,000	14,000	7,000
Apr	75,000	15,000	7,500
May	80,000	16,000	8,000
June	85,000	17,000	8,500

Additional Information :

- 10% of the material in the month of June, happened in the following month of June.
- Purchases are paid in the month following the month of purchase.
- Wages paid is 10% more than the actual.
- The loss allowed for the month of June is 1,000 out of the above.



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III Semester 5 Years B.B.A. LL.B. Examination, April/May 2022 (Dec. 2021)
COST AND MANAGEMENT ACCOUNTING

Duration : 3 Hours

Max. Marks : 100

Instructions 1. Q. No. 9 and any five of the remaining.

2. Q. No. 9 carries 20 marks and the remaining 16 marks.
3. Answers should be written in English.
4. Use simple calculator.

Q. No. 1. Explain the Cost Audit Rules (Report) – 2011. Marks : 16

Q. No. 2. What do you mean by budgetary control ? Explain the features, advantages and limitations of budgetary control. Marks : 16

Q. No. 3. What is uniform costing ? Explain the merits and demerits of uniform costing. Marks : 16

Q. No. 4. What is management audit ? Discuss the objectives, advantages and criticisms of management audit. Marks : 16

Q. No. 5. Discuss the appointment procedure of cost auditor and also mention the qualifications, dis-qualifications and rights of a cost auditor. Marks : 16

Q. No. 6. What is variance analysis ? Briefly explain the types of variances. Marks : 16

Q. No. 7. Write the similarities and differences between the budgetary control and standard costing. Marks : 16

Q. No. 8. Write short notes on **any two** of the following : Marks : 2×8=16

- (a) Social audit
- (b) Overhead variance
- (c) Financial audit and cost audit.

P.T.O.



Q. No. 9. Solve **any two** of the following :

Marks : 2×10=20

- (a) Ganesh Co. Mysore is engaged in manufacturing plastic products which is working currently at 40% capacity and produces 10000 plastic buckets per month. The cost and price details for one plastic bucket is as under :

Particular	Price/Unit (₹)
Administrative expenses (40% variable)	5
Productive expense	1
Direct labour cost	2
Basic material cost	10
Selling price	20

You are required to prepare a flexible budget showing separately profit at 50% and 90% capacity assuming that

- At 50% capacity selling price falls by 3%.
 - At 90% capacity the selling price falls by 5% accompanied by a similar fall in the price of material cost.
- (b) A manufacturing concern which has adopted standard costing furnishes the following information.

Standard :

Material for 70 kg finished products 100 kg price of material is Re. 1 per kg.

Actual :

Output	2,10,000 kg
Material used	2,80,000 kg
Cost of material	₹ 2,52,000

Calculate :

- Material cost variance
 - Material price variance
 - Material usage variance.
- (c) Find out LCV, LRV, LEV from the following information :

Particular	Standard	Actual
Output	1000 units	1200 units
Rate of payment	@ ₹ 6 per unit	Wages paid with bonus ₹ 8,000
Time taken	50 hours	40 hours

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**III Semester 5 Yr. B.B.A. LL.B. Examination, October/November 2021
COST AND MANAGEMENT ACCOUNTING**

Duration : 3 Hours

Max. Marks : 100

- Instructions :**
1. Answer Q.No. 11 and any five of the remaining.
 2. Q. No. 11 carries 20 marks and the remaining 16 marks each.
 3. Answers should be written in English.
 4. Use simple calculator.

- Q. No. 1. Aarti Chemicals Ltd., Delhi has given you the following information at 50% capacity of the production of 5000 units during the month of March 2018.

Marks : 1×16=16

Particulars	Unit cost (₹)
Materials	50
Labour	30
Variable overheads	20
Fixed overheads (₹ 50,000)	10
Administrative Overheads	10
Production Expenses (25% fixed)	8
Distribution Expenses (20% fixed)	5
Total	133

You are required to prepare flexible budgets at 60%, 70% and 80% capacity presuming that at 80% capacity material cost will be less by 5% and variable production expense will increase by 10%.

- Q. No. 2. Explain the different types of budgets.
- Q. No. 3. What is inter-firm comparison ? Explain its advantages and disadvantages.

Marks : 1×16=16

Marks : 1×16=16

P.T.O.



Q. No. 4. From the following, you are required to calculate : Marks : 1×16=16

- (i) Material Price Variance
- (ii) Material Usage Variance
- (iii) Material Cost Variance

Quantity of material purchased : 3000 units

Value of material purchased for : ₹ 9,000

Standard quantity of material required for one tonne of finished product : 25 units.

Standard rate of material : ₹ 2 per unit

Opening stock of material : 100 units

Closing stock of material : 600 units

Finished production during the period : 80 tonnes.

Q. No. 5. Distinguish between Management Audit and Cost Audit. Marks : 1×16=16

Q. No. 6. Define standard costing and distinguish between budgetary control and standard costing. Marks : 1×16=16

Q. No. 7. Explain the advantages and disadvantages of social audit. Marks : 1×16=16

Q. No. 8. What is Budgetary control ? State the objectives and advantages of budgetary control. Marks : 1×16=16

Q. No. 9. What are the objectives and advantages of social audit ? Marks : 1×16=16

Q. No. 10. Write short notes on **any two** of the following : Marks : 2×8=16

- (i) Functions of cost audit.
- (ii) Zero-Based Budgeting.
- (iii) Master budget.

Q. No. 11. Solve **any two** of the following : Marks : 2×10=20

- (a) A single product manufacturing company has estimated its sales for 2017-18 as follows :

$Q_1 = 30000$ units

$Q_2 = 37500$ units

$Q_3 = 41250$ units

$Q_4 = 45000$ units



The company has a stock of 10000 units as on 1-4-17 and desires to have a stock of 16250 units of finished goods as on 21-03-2018.

Determine the production budget for the year 2017-18. Prepare quarter wise budget for the above problem of the company and company desires to maintain a closing stock at the end of each quarter to be 50% of the next quarter budgeted sales.

- (b) Data relating to a job are as follows :
- Standard rate of wages per hour : ₹ 10
- Standard hours : 300 hrs.
- Actual rate of wages per hour : ₹ 12
- Actual hours : ₹ 200
- You are required to calculate :
- (i) Labour Cost Variance
- (ii) Labour Rate Variance
- (iii) Labour Efficiency Variance.
- (c) From the following information prepare the cash budget for 3 months from May to July.

Month	Sales Rs.	Purchase Rs.	Wages Rs.
March	40,000	20,000	6,000
April	50,000	30,000	4,000
May	60,000	25,000	7,000
June	70,000	28,000	3,000
July	60,000	30,000	5,000

Additional Information :

- (a) Opening cash balance – 6,000.
- (b) Period of credit allowed by suppliers – 2 months.
- (c) Period of credit allowed to customers – 1 month.
- (d) Delay in payment of wages – 1 month.



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Third Semester 5 Year B.B.A. LL.B. Examination, March/April 2021
COST AND MANAGEMENT ACCOUNTING

Duration : 3 Hours

Max. Marks : 100

Instructions : 1. Answer Q. No. 9 and any five of the following questions.

2. Q. No. 9 carries 20 marks and the remaining questions carry 16 marks each.

3. Answers should be written in English.

4. Use simple calculator.

- Q. No. 1. Cost per unit of an article 'A' is Rs. 50 at a capacity level of 5000 units for a variation upto 25% in capacity above and below this level and the individual expenses vary as indicated below. Marks : 16

Particulars	Cost @ 5000 units	Degree of variability
Material	Rs. 35,000	100%
Labour	Rs. 15,000	100%
Power	Rs. 2,000	80%
Repair and Maintenance	Rs. 3,000	75%
Stores	Rs. 1,000	100%
Inspection	Rs. 600	20%
Depreciation	Rs. 10,000	100% (Fixed)
Administration O/H	Rs. 5,400	20%
Selling O/H	Rs. 3,000	50%

Calculate the cost per unit of the product showing individual expenses at production level of 4000 units and 6000 units.

- Q. No. 2. What are the steps in Social Audit Programme ? Marks : 16

- Q. No. 3. Describe briefly the procedure of establishing standard costs within the divisions of material, labour and overheads. Marks : 16

- Q. No. 4. From the following information compute material (a) Mix (b) Price and (c) Usage variances. Marks : 16

Materials	Standard		Actual	
	Qty. in kgs	Price per kg	Qty. in kgs	Price per kg
A	10	Rs. 2.00	5	Rs. 3.00
B	20	Rs. 3.00	10	Rs. 6.00
C	20	Rs. 6.00	15	Rs. 5.00

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Q. No. 5. What do you mean by 'Inter firm' comparison ? What are its advantages and disadvantages ?

Marks : 16

Q. No. 6. What are the types of functional budgets ? Explain.

Marks : 16

Q. No. 7. Prepare production budget for each month and summarised production cost budget for 6 months period ending 31-12-2006.

Marks : 16

From the following details of Product 'x'.

I) The units to be sold for different months are as follows.

July 2006	-	1100 units
August 2006	-	1100 units
September 2006	-	1700 units
October 2006	-	1900 units
November 2006	-	2500 units
December 2006	-	2300 units
January 2007	-	2000 units

II) There will be no work in progress at the end of any month.

III) Finished units equal to half of the sales of next month will be in stock at the end of each month including June 2006.

IV) Budgeted production and production cost for the year ending 31-12-2006 are as follows :

- a) Production 22000 units
- b) Direct material per unit Rs. 10
- c) Direct wage per unit Rs. 4
- d) Total factory O/H Rs. 22,000

Q. No. 8. Write a short note on **any two** of the following :

Marks : 2×8=16

- (a) Objectives of budgetary control.
- (b) Limitations of social audit
- (c) Advantages of standard costing.



Q. No. 9. Solve **any two** of the following :

Marks : 2×10=20

- (a) From the following information calculate collection from debtors for the month of April, May and June.

Sales forecast for 6 months

January 2006	Rs. 1,20,000
February 2006	Rs. 1,40,000
March 2006	Rs. 1,90,000
April 2006	Rs. 2,00,000
May 2006	Rs. 1,10,000
June 2006	Rs. 1,30,000

- (a) 10% of the sales are on cash bases. The firm extends a credit of 2 months to its customers.
(b) The bad debts is 2% on credit sales.
(c) The cash is collected from debtors as under 60% in the month of due, 30% in one month due, balance 2 months after due.

- (b) The following information relating to a job are as follows :

Standard rate of wages per hour	Rs. 10
Standard hours	300
Actual rate of wages per hour	Rs. 12
Actual hours	200

You are required to calculate :

- i) Labour cost variance
ii) Labour rate variance
iii) Labour efficiency variance
(c) A manufacturing concern which has adopted standard costing furnishes the following information :

Standard

Material for 70 kg finished product	100 kgs
Price of material	Rs. 1 per kg

Actual :

Output	210000 kgs
Material used	280000 kgs
Cost of material	Rs. 2,52,000

Calculate material cost variance.

Third Semester 5 Year B.B.A. LL.B. Examination, December 2019
COST AND MANAGEMENT ACCOUNTING (New/Old)

Duration : 3 Hours

Max. Marks : 100

- Instructions :**
1. Answer Q. No. 9 and **any five** of the remaining questions.
 2. Q. No. 9 carries **20** marks and the remaining questions carry **16** marks each.
 3. Answers should be written in **English**.
 4. Use simple calculator.

Q. No. 1. From the following information calculate collection from debtors for the month of April, May and June.

Marks : 16

Sales forecast for 6 months

Jan. 2006	1,20,000
Feb. 2006	1,40,000
March 2006	1,90,000
April 2006	2,00,000
May 2006	1,10,000
June 2006	1,30,000

- (a) 10% of the sales are on cash bases the firm extends a credit of 2 months to its customers.
- (b) The bad debt is 2% on credit sales.
- (c) The cash is collected from debtors as under – 60% in the month of due, 30% in one month due, balance 2 months after due.

Q. No. 2. Define variance analysis. What are the types of variances ?

Marks : 16

Q. No. 3. What are the objectives, advantages and limitations of management audit ?

Marks : 16

Q. No. 4. What are the advantages and disadvantages of uniform costing ?

Marks : 16

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Q. No. 5. What do you understand by the following in the context operating a standard cost system ?

Marks : 16

- (i) Ideal standard
- (ii) Average standard
- (iii) Attainable standard

Q. No. 6. What are the steps in Social Audit Programme ?

Marks : 16

Q. No. 7. Gemini Chemical Industries provided the following information from their records.

Marks : 16

For making 10 Kgs of Jemco the standard material requirement is

Material	Quantities in Kgs	Rate per Kg
A	8	Rs. 6.00
B	4	Rs. 4.00

During April 2002 1000 Kgs of Jemco were produced. The actual consumption of material is as under

Material	Quantities in Kgs	Rate per Kg
A	750	Rs. 7.00
B	500	Rs. 5.00

Calculate :

- (a) Material cost variance
- (b) Material price variance
- (c) Material usage variance

Q. No. 8. Write a short note on **any two** of the following :

Marks : 2x8=16

- (a) Limitations of Budgetary Control
- (b) Cost audit
- (c) Interfirm comparison.



Q. No. 9. Solve **any two** of the following problems.

Marks : 2×10=20

(a) From the following information compute

- a) Mix b) Price and c) Usage variance

Materials	Standard		Actual	
	Qty in Kgs	Price per Kg	Qty in Kgs	Price per Kg
A	10	2.00	5	3.00
B	20	3.00	10	6.00
C	20	6.00	15	5.00

(b) ABC Ltd. has prepared a budget for production of 1,00,000 units of the only commodities.

Particulars	Rs. in lakhs
Raw materials	2.52
Direct labour	0.75
Direct expenses	0.10
Works O/H	2.25
(60% is fixed)	
Administration O/H	0.40
(80% is fixed)	
Selling O/H	0.20
(50% is fixed)	

The actual production during the period was only 60000 units.

Calculate the revised budget cost per unit.

(c) A company manufactures 2 products A and B sales manager forecast and the sales in units as follows

Months	Product A in Units	Product B in Units
Jan.	280	100
Feb.	280	120

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March	240	160
Apr.	200	200
May	160	240
June	160	240
July	180	200
Aug.	180	200
Sep.	180	200
Oct.	180	200
Nov.	180	200
Dec.	180	200

It is assumed that

- (i) There will be no work in progress at the end of any month.
- (ii) Finished goods equal to half of the sales for the following month will be kept in stock.
- (iii) Opening stock equal to half of sales of the same month.

You are required to prepare production budget for each month.



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Third Semester 5 Year B.B.A. LL.B. (New/Old) Examination, December 2018
COST AND MANAGEMENT ACCOUNTING

Duration : 3 Hours

Max. Marks : 100

- Instructions :**
1. Answer Q. No. **9** and **any five** of the remaining.
 2. Q. No. **9** carries **20** marks and the remaining **16** marks each.
 3. Answers should be written in **English**.
 4. **Use** simple calculator.

Q. No. 1. What is Budgetary Control ? Explain the advantages and limitations of Budgetary Control. Marks : 16×1 =16

Q. No. 2. Define standard cost and differentiate between

- i) Standard cost and Estimated cost.
- ii) Standard costing and Budgetary control.
- iii) Basic standard and Current standard.

Marks : 16×1 =16

Q. No. 3. Define the term "Variance Analysis" and Explain

- i) Idle Time Variance
- ii) Material Price Variance
- iii) Labour Efficiency Variance
- iv) Material Mix Variance.

Marks : 16×1 =16

Q. No. 4. What is meant by inter-firm comparison ? What are the objectives and Pre-requisites of inter-firm comparison. Marks : 16×1 =16

Q. No. 5. Explain the Cost Audit Rules (Report) 1996. Marks : 16×1 =16

Q. No. 6. What is uniform costing ? Write the merits and demerits of uniform costing. Marks : 16×1 =16

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Q. No. 7. What is Management Audit ? State the advantages and disadvantages of Management Audit.

Marks : 16×1 =16

Q. No. 8. Write short notes on **any two** of the following :

- i) Social Audit
- ii) Overhead Variance
- iii) Financial Audit and Cost Audit.

Marks : 2×8 =16

Q. No. 9. Solve **any two** of the following.

Marks : 2×10=20

- (a) Matrix Co. Ltd. Mumbai has submitted the following cost data in relation to a product manufactured in their workshop during October 2018.

Particulars	Standard Cost	Actual Cost
Raw Materials	1,000 units at ₹ 6 per unit	1,100 units at ₹ 7 per unit
Productive labour	1,600 Hours at ₹ 5 per hour	1,500 Hours at ₹ 4 per hour

You are required to calculate :

- i) Material Cost Variance
 - ii) Material Price Variance
 - iii) Material Usage Variance
 - iv) Labour Cost Variance
 - v) Labour Rate Variance and
 - vi) Labour Efficiency Variance.
- (b) Shakti Co. Hyderabad is engaged in manufacturing Gift boxes which is working currently at 40% capacity and produces 10,000 Gift boxes per month. The Cost and price details for one gift box is as under :

Particulars	Price/unit (₹)
Administration Exp. (40% variable)	5
Productive Expenses	1
Direct Labour Cost	2
Basic Material Cost	10
Market Price	20



You are required to prepare a Flexible Budget showing separately the profit at 50% and 90% capacities assuming that

- i) At 50% capacity selling price (market price) falls by 3% and
- ii) At 90% capacity the selling price falls by 5% accompanied by a similar fall in the price of material cost.

(c) From the following particulars prepare Cash Budget.

Months	Credit Sales (₹)	Purchases (₹)	Wages (₹)
July	1,30,000	1,60,000	14,000
August	2,10,000	1,55,000	15,000
September	2,20,000	1,80,000	18,000
October	3,00,000	3,20,000	15,000
November	1,50,000	2,20,000	17,000
December	1,50,000	3,50,000	16,000

The credit sales are realised as below

- i) 50% of Credit sales – two months credit allowed
- ii) 50% of credit sales – Three months credit allowed

The creditors for purchases are paid in the month following the month of purchase. The opening balance of cash is ₹10,000

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Third Semester 5 Years B.B.A. LL.B. Examination, June/July 2018
COST AND MANAGEMENT ACCOUNTING
(Old and New Batch)

Duration : 3 Hours

Max. Marks : 100

- Instructions :**
1. Answer Q. No. 9 and **any five** of the remaining questions.
 2. Q. No. 9 carries **20** marks and the remaining questions carry **16** marks **each**.
 3. Answers should be written in English **completely**.
 4. **Use** simple calculator.

Q. No. 1. What is Budgetary Control ? Explain the advantages and disadvantages of Budgetary Control. Marks : 16

Q. No. 2. The expenses budgeted for production of 10,000 units in a factory are furnished below. Marks : 16

	Per Unit (Rs.)
Materials	70
Labour	25
Variable overheads	20
Fixed overheads	10
Variable expenses (Direct)	05
Selling expenses (10% fixed)	13
Distribution expenses (20% fixed)	07
Administration expenses (Rs. 50,000)	05
	155

Prepare a budget for production of 8,000 and 6000 units.
(Administration expenses are fixed for all levels of production).

Q. No. 3. What is standard costing ? Explain the advantages and limitations of standard costing. Marks : 16

Q. No. 4. What is inter-firm comparison ? Explain the advantages and limitations of inter-firm comparison. Marks : 16

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Q. No. 5. What is cost audit ? Explain types of cost audit and objectives of cost audit.

Marks : 16

Q. No. 6. The standard labour composition and the actual labour composition engaged in 20 weeks for a job are as under :

Marks : 16

Category of workers	Standard		Actual	
	No. of workers	Weekly wage rate per worker	No. of workers	Weekly wage rate per worker
Grade A	80	160	100	140
Grade B	160	140	120	150
Grade C	60	100	20	120

The work is actually completed in 24 weeks. Calculate Labour variances.

Q. No. 7. From the following data, calculate :

Marks : 16

- Total Overhead Cost Variance
- Variable Overheads Expenditure Variance
- Fixed Overhead Variance
- Volume Variance.

	Budgeted	Actual
Output	15,000 units	16,000 units
Fixed Overheads	Rs. 30,000	Rs. 30,500
Variable Overheads	Rs. 45,000	Rs. 47,000

Q. No. 8. Write short notes on **any two** of the following :

Marks : 2×8=16

- Scope of cost audit.
- Functional budgets.
- Overhead variance.



Q. No. 9. Solve **any two** of the following problems : Marks : 2×10=20

a) Prepare a production budget for each month for the six months period ending 31-12-2017 from the following data of product "X".

i) The units to be sold for different months are as follows :

July 2017	2200
August	2200
September	3400
October	3800
November	5000
December	4600
January 2018	4000

ii) Finished units equal to half the sales for the next month will be in stock at the end of each month (including June 2017).

b) Compute Material cost variance from the following data.

Standard quantity per product	8 Units
Standard price per unit of raw materials	Rs. 6
Actual quantity for the total output	36000 Units
Actual price per unit	Rs. 8

c) From the following information compute (a) Mix. (b) Price (c) Usage variance.

Material	Standard		Actual	
	Qty. in	Price	Qty. in	Price
	Kgs	per Kg	Kgs	per Kg
A	10	2.00	5	3.00
B	20	3.00	10	6.00
C	20	6.00	15	5.00



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Third Semester 5 Yr. B.B.A. LL.B. (New/Old) Examination, December 2017
COST AND MANAGEMENT ACCOUNTING

Duration : 3 Hours

Max. Marks : 100

- Instructions:**
1. Answer question No. 9 and **any five** of the remaining questions.
 2. Q. No. 9 carries **20** marks and remaining questions carry **16 marks each**.
 3. Answers should be written in **English completely**.
 4. **Use** simple calculator.

Q. No. 1. Define uniform costing. Explain its advantages and limitations. Marks : 16

Q. No. 2. Define Cost Audit. Explain the functions of a cost auditor. Marks : 16

Q. No. 3. From the following information prepare a production budget for 3 months of NICE Cement Co. Ltd. Marks : 16

- i) The estimated sales for the budget period as reported by sales manager are :

Types of Products

Division	White (Tonnes)	Black (Tonnes)	Red (Tonnes)	Green (Tonnes)
North	7,000	12,000	16,000	10,000
South	6,000	6,000	10,000	3,000

- ii) Estimated stock on June 1, 2017.

Types of Product	Tonnes
White	1,200
Black	1,500
Red	1,800
Green	1,000

- iii) Desired closing stock on 31st August 2017.

Types of Product	Tonnes
White	1,500
Black	1,800
Red	1,400
Green	1,000

P.T.O.



Q. No. 4. From the following particulars calculate :

Marks : 16

- i) Total materials cost variance
- ii) Materials price variance
- iii) Materials usage variance.

Materials	Standard		Actual	
	Units	Price (Rs.)	Units	Price (Rs.)
A	1,010	1	1,080	1.2
B	410	1.5	380	1.8
C	350	2	380	1.9

Q. No. 5. What is standard costing and budgetary control ? Distinguish between standard costing and budgetary control.

Marks : 16

Q. No. 6. For production of 10,000 units of XYZ Co. Ltd. the following budgeted expenses :

Marks : 16

Particulars	Per Unit (Rs.)
Direct materials	60
Direct labour	30
Variable overheads	25
Fixed overheads (Rs. 1,50,000)	15
Variable expenses (Direct)	5
Selling expenses (10% fixed)	15
Administration expenses (Rs. 50,000)	5
Distribution expenses (20% fixed)	5
Total cost of sales per unit	160

Prepare a budget production of 6,000 and 8000 units.

Q. No. 7. Explain the advantages and disadvantages of social audit.

Marks : 16



Q. No. 8. Write short note on **any two** of the following :

Marks : 2×8=16

- a) Management Audit.
- b) Zero-base budgeting.
- c) Distinguish between standard cost and estimated cost.

Q. No. 9. Answer **any two** of the following :

Marks : 2×10=20

- a) Using the following information, calculate labour variances :

Gross direct wages = Rs. 3,000

Standard hours produced = 1600 Hrs.

Standard rate per hour = Rs. 1.50

Actual hours paid 1500 hours, out of which hours not worked (abnormal idle time) are 50 hrs.

- b) Explain the steps in social audit programme.
- c) Explain the Cost Audit Rules (Report) 1996.

Types of Products				
Black	White	Red	Green	
(Tonnes)	(Tonnes)	(Tonnes)	(Tonnes)	

7,000	12,000	10,000	10,000	
1,500	3,000	10,000	5,000	

Estimated stock on June 1, 2017.

Types of Product	Tonnes
White	7,200
Black	1,500
Red	1,800
Green	1,000

Estimated closing stock on 31st August 2017.

Types of Product	Tonnes
White	7,200
Black	1,500
Red	1,800
Green	1,000