6013

III Semester 5 Years B.B.A.,LL.B. Examination, January/February 2026 (Odd Sem.)
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 in English only.**

UNIT – I

Q. No. 1. (a) From the following data, prepare a flexible budget for production of 40,000 units and 75,000 units, distinctly showing variable cost and fixed cost as well as total cost. Also indicate element-wise cost per unit. Budgeted output is 1,00,000 units and budgeted cost per unit is as follows :

	₹
Direct material	95
Direct labour	50
Production overhead (variable)	40
Production overhead (fixed)	5
Administration overhead (fixed)	5
Selling overhead (10% fixed)	10
Distribution overhead (20% fixed)	15

Marks : 10

OR

Q. No. 1. (a) What is budgetary control ? Discuss the advantages and disadvantages of budgetary control.

Marks : 10

P.T.O.

Q. No. 1. (b) The following information has been made available from the records of Precise Tools Ltd. in respect of Product X.

(i) The units to be sold in different months are

July 2024	1,100 units
August 2024	1,100 units
September 2024	1,700 units
October 2024	1,900 units
November 2024	2,500 units

(ii) There will be no work-in-progress at the end of any month.

(iii) Finished units equal to half the sales of the next month which will be in stock at the end of every month (including June 2024).

Prepare Production Budget from July 2024 to October 2024. Marks : 6

OR

Q. No. 1. (b) Write a note on functional budgets. Marks : 6

UNIT – II

Q. No. 2. (a) Define standard costing. Explain the advantages of standard costing. Marks : 10

OR

Q. No. 2. (a) Discuss the similarities and differences between standard costing and budgetary control. Marks : 10

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

Preliminaries in establishing a system of standard costing. Marks : 6

OR

Q. No. 2. (b) Steps in standard costing. Marks : 6

UNIT – III

Q. No. 3. (a) The standard material input required for 1,000 kgs of a finished product are given below : Marks : 10

Material	**Quantity (kgs)**	**Std. rate per kg**
P	450	20
Q	400	40
R	250	60
Total	**1,100**	
Std. loss	100	
Std. output	**1,000**	

Actual production in a period was 20,000 kgs of finished product for which the actual quantities of material used and the prices paid there of were as under :

Material	Quantity (kgs)	Purchase price per kg (₹)
P	10,000	19
Q	8,500	42
R	4,500	65

Calculate :

i) Material cost variance

ii) Material price variance

iii) Material usage variance

iv) Material mix variance

v) Material yield variance.

OR

Q. No. 3. (a) Explain the types of overhead variances. Marks : 10

Q. No. 3. (b) The following information is given : Marks : 6

Std. Hours per unit	15
Standard rate	₹ 4 per hour
Actual data :	
Actual production	1000 units
Actual hours	15,300 hours
Actual rate	₹ 3.90 per hour

Calculate :

i) Labour cost variance

ii) Labour rate variance

iii) Labour efficiency variance.

OR

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

i) Idle time variance

ii) Labour yield variance

iii) Gang composition variance.

UNIT – IV

Q. No. 4. (a) What is uniform costing ? Discuss the advantages and limitations of uniform costing. Marks : 10

OR

Q. No. 4. (a) What is cost audit ? State the provisions of Indian Companies Act, 2013 with respect to rights, duties and responsibilities of a cost auditor. Marks : 10

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

Inter-firm comparison. Marks : 6

OR

Q. No. 4. (b) General features of cost accounting records. Marks : 6

UNIT – V

Q. No. 5. (a) What is management audit ? Explain the advantages and limitations of management audit. Marks : 10

OR

Q. No. 5. (a) What is social audit ? Discuss the features, scope and objectives of social audit. Marks : 10

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

Types of audit. Marks : 6

OR

Q. No. 5. (b) Steps in social audit. Marks : 6