



Third Semester Five Year B.B.A. LL.B. Examination, June 2013
COST AND MANAGEMENT ACCOUNTING

Duration : 3 Hours

Max. Marks : 100

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

UNIT – I

- Q. No. 1. (a) ABC Ltd. has prepared the budget for the production of one lakh units of the only commodity manufactured by it for a costing period as follows :

Marks : 15

Particulars	Rs. (Lakhs)
i) Raw material	2.52
ii) Direct labour	0.75
iii) Direct Expenses	0.10
iv) Works overhead (60% fixed)	2.25
v) Administrative overhead (80% fixed)	0.40
vi) Selling overheads (50% fixed)	0.20

Prepare flexible budget for 60000 units and 80000 units of production.

OR

What is cash budget ? What are its advantages ?

- (b) Write short note on :
 Flexible budget

Marks : 5

OR

Prepare a production budget for 3 months ending March 31, 2005 for a factory producing four products on the basis of the following information.

Type of Product	Estimated stock on Jan. 1, 2005	Estimated Sales during Jan-March 2005	Desired Closing stock on March 31 2005
A	2000	10000	3000
B	3000	15000	5000
C	4000	13000	3000
D	3000	12000	2000

P.T.O.



UNIT – II

Q. No. 2. (a) Define standard costs. Explain briefly the significance of standard costing as a technique of cost control

Marks : 15

OR

Distinguish between

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

(b) Write short note on :

Marks : 5

Overheads

OR

What are the limitations of standard costing ?

UNIT – III

Q. No. 3. (a) The following information is available from the records of a factory.

Marks : 15

	Budget	Actual
Fixed overhead for June	Rs. 10,000	Rs. 12,000
Production in June (units)	2,000	2,100
Standard time per unit (Hours)	10	–
Actual Hours worked in June	–	22,000

Compute :

- i) Fixed overhead cost variance
- ii) Expenditure variance
- iii) Volume variance.

OR

The standard cost of a chemical mixture as under 4 tons of materials x at Rs. 20 per unit 6 tons of materials y at Rs. 30 per unit standard yield is 90% of input.

Actual cost for a period is as under 4.5 tons of material x at Rs. 15 per ton 5.5 tons of material y at Rs. 34 per ton Actual yield is 9.1 tons.

Compute all material variances



- (b) Write short note on :
- i) Labour efficiency variance
 - ii) Material yield variance.

Marks : 5

OR

Write short note on :
Variance analysis.

UNIT – IV

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

Marks : 15

OR

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

- (b) State the objectives of interfirm comparison.

Marks : 5

OR

Types of cost audits.

UNIT – V

- Q. No. 5. (a) What is social audit report explain ?

Marks : 15

OR

What are the objectives, advantages and limitations of Management audit ?

- (b) State the advantages of social audit ?

Marks : 5

OR

What are the types of audits.
