

**P-735**

Total Pages : 4

Roll No. ....

## **BBA-303**

### **Basic Costing**

Bachelor of Business Administration (BBA)

3rd Semester Examination, 2023 (June)

**Time : 2 Hours]**

**[Max. Marks : 70**

**Note :** This paper is of Seventy (70) marks divided into two (02) Sections A and B. Attempt the questions contained in these sections according to the detailed instructions given therein. Candidates should limit their answer to the questions on the given answer sheet. No additional (B) answer sheet will be issued.

### **SECTION-A**

#### **(Long Answer Type Questions)**

**Note :** Section 'A' contains Five (05) long answer type questions of Nineteen (19) marks each. Learners are required to answer any Two (02) questions only.

(2×19=38)

1. What is cost Accounting? Discuss in detail the objectives and importance of cost accounting.

2. (a) What do you understand by Material control? State its objectives.
- (b) From the following information, calculate the Economic Order Quantity :

Annual usage – 20,000 units

Cost of Materials (per unit) – Rs. 250

Cost of placing and receiving order – Rs. 2,000

Annual cost of carrying inventory (including interest)  
– 10% of cost

3. The particulars of receipts and issues of materials in a factory in January 2020 are :

Jan.	1	Opening Balance	1,560	kg @ Rs. 12 per kg
"	2	Issued	650	kg
"	5	Purchased	400	kg @ Rs. 12.50 per kg
"	9	Issued	300	kg
"	10	Purchased	200	kg @ Rs. 12.50 per kg
"	11	Issued	300	kg
"	12	Returned from workshop issued on 2nd January	20	kg
"	13	Issued	450	kg
"	16	Purchased	500	kg @ Rs. 13.00 per kg
"	18	Issued	400	kg
"	22	Purchased	300	kg @ Rs. 12.00 per kg
"	30	Issued	200	kg

Pricing of issues is to be done on FIFO basis. A shortage of 10 kg was noticed on 16th January.

Prepare the Store Ledger for the month of January 2020.

4. Define overheads and explain briefly the classification of overheads.
5. What are the advantages and disadvantages of time rate and piece rate systems of wage payment?

### **SECTION-B**

#### **(Short Answer Type Questions)**

**Note :** Section 'B' contains Eight (08) short answer type questions of Eight (08) marks each. Learners are required to answer any Four (04) questions only. (4×8=32)

1. State the difference between cost accounting and financial accounting.
2. Distinguish between Direct and Indirect labour cost.
3. What is labour turnover? What are its causes?
4. Explain why a fixed cost is said to be fixed.
5. Write a short note on selling and distribution expenses.
6. What is By-Product and how is it different from joint Product? Give a few examples of each.

7. State the special features of Contract costing.
  8. "A job is a small contract and contract is a big job".  
Comment.
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