

**S-894**

**Total Pages : 5**

**Roll No. -----**

**BBA-303**

**Basic Costing**

**Bachelor of Business Administration (BBA)**

**3<sup>rd</sup> Semester, Examination 2022(Dec.)**

**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.

**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 x 19 = 38]

P.T.O.

Q.1. From the following figures relating to the manufacture of an Electronic Product during the month of July 2020, prepare a statement showing Cost and Profit per unit:

	Rs.
Raw material used	50,000
Direct wages	30,000
Labour hours worked	10,500 units
Labour hour rate	Rs.2.00
Office overhead	20,000
Selling overhead	Rs.1.00
Units produced	20,000 units
Unit sold	18,000 @ Rs.10

Q.2. What are the objectives of Cost Accounting. Mention the dissimilarities between Financial Accounting and Cost Accounting.

Q.3. A Construction company undertook two contracts namely Contract No. 005 and Contract No. 052, on 1.1.2006 and 1.7.2006, respectively. On 31<sup>st</sup> December 2006, when the accounts were closed, the portion of the contract was as follows:

	Contract No.005	Contract No.052
Contract Price	5,00,000	4,00,000
Material Purchased	1,50,000	90,000
Wages Paid	25,000	20,000
General Expenses	10,000	5,000
Material Transferred from 005 to 052	---	5,000
Plant Transferred at cost from 052 to 055 (as on 31.12.06)	20,000	---
Wages accrued	5,000	---
Percentage of Cash received	90%	80%
Plant Purchased	1,00,000	1,00,000
Rate of Depreciation	10%	10%
Value of Material on hand	10,000	6,000
Cash received	2,25,000	1,60,000
Completed work not certified	12,000	6,000

The total establishment expenses incurred during the year amounted to Rs.25,000. These are to be charged to the two contracts in proportion to wages. Prepare the Contract A/cs.

- Q.4. What do you mean by material control? What are its techniques and discuss its significance.
- Q.5. Explain FIFO and LIFO methods of valuation of material issue. Discuss the effect of rising prices and falling prices on these two methods of pricing of material issues.

P.T.O.

## **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 x 8 = 32]

- Q.1. Why classification of costs into fixed and variable is needed?
- Q.2. What is cost control and cost reduction?
- Q.3. Explain the features of Wages System.
- Q.4. Explain the differences between fixed, variable and semi variable overheads.
- Q.5. Write advantages of a cost sheet.
- Q.6. Explain types of cost centres.

Q.7. Difference between 'Time Keeping' and 'Book Keeping'.

Q.8. Explain job costing with example.

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