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[Roll No.]

BBA-303

Bachelor of Business Administration

B.B.A. IIIrd Semester

Examination Dec., 2023

BASIC COSTING

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 there in. *Candidates should limit their answers to the questions on the given answer sheet. No additional (B) answer sheet will be issued.*

Section-A

Long Answer Type Questions 2×19=38

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.

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(1)

P.T.O.

1. Describe three main elements of cost in cost accounting.
How does cost accounting differ from financial accounting ?
2. For April, 2020, the transactions in a factory's store are :

April

- 1 Opening Balance 2,500 kg @ ₹ 25 per kg.
- 3 Issued 1, 000 kg.
- 7 Purchased 700 kg @ ₹ 26 per kg.
- 10 Issued 800 kg.
- 15 Purchased 600 kg @ ₹ 27 per kg.
- 18 Issued 700 kg.
- 20 Returned to store 80 kg, which was issued on April. 3 ?
- 23 Purchased 500 kg @ ₹ 28 per kg.
- 27 Issued 900 kg.
- 29 Shortage of 40 kg was notice.

Prepare the store ledger for April, 2020 using FIFO method.

3. Compute the EOQ using the following information :
- Yearly requirement : 10,000 units
- Cost per unit : ₹ 50
- Order cost per placement : ₹ 300
- Inventory carrying cost per annum : 10% of the unit cost.
4. How are overheads classified in cost accounting ? Explain.
5. Explain different methods of costing in detail.

Section–B

Short Answer Type Questions 4×8=32

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.

1. How does cost accounting aid in managerial decision-making ?
2. How is process costing different from job costing ?
3. In what situations is the LIFO method most beneficial ?
4. Describe in brief the various methods of wage payment.

5. What are the implications of under-absorbing overheads ?
6. Explain the difference between allocation and apportionment of overheads.
7. How is batch costing different from job costing ?
8. What challenges arise in determining costs in batch costing ?
