

**A-0771**

Total Pages : 4

Roll No. ....

**BBA-303**

**Bachelor of Business Administration (BBA)**

**(Basic Costing)**

Examination, June 2025

Time : 2:00 Hrs.

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 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.

1. Discuss the various types of costing and the factors to consider while installing a costing system.
2. Describe the methods of valuing material issues, focusing on FIFO, LIFO, HIFO, and NIFO. Provide examples where necessary.
3. Explain the different methods of allocating and apportioning overheads with examples.
4. Discuss job costing and batch costing, highlighting their applicability in different industries.
5. A company maintains inventory using the LIFO method. Below are the inventory transactions for the month of November 2023 :

Opening Stock (November 1) : 500 units @ ₹ 15 each

Purchases :

- o November 4 : 200 units @ ₹ 16 each
- o November 8 : 300 units @ ₹ 18 each
- o November 15 : 400 units @ ₹ 20 each
- o November 25 : 300 units @ ₹ 22 each

Issues :

- o November 10 : 350 units
- o November 18 : 500 units
- o November 28 : 400 units

Calculate the cost of inventory issued on November 10, November 18, and November 28 using the LIFO method. Also, calculate the closing inventory at the end of November 2023.

### **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. Define cost accounting and state its objectives.
2. What are the main elements of cost ? Provide examples of each element.
3. Explain the concept of reorder level, EOQ, minimum level, maximum level, and danger level.
4. Calculate the EOQ for a company if annual demand is 12,000 units, ordering cost per order is ₹ 500, and carrying cost per unit is ₹ 10.

5. What is the process of allocation and apportionment of overheads ? Why is it important ?
6. Explain the process of absorbing overheads in cost accounting.
7. How is profit calculated in incomplete contracts under contract costing ?
8. A company undertakes a job with the following details :  
Material cost ₹ 30,000, Labor cost ₹ 20,000, and  
Overhead absorption rate at 150% of labor cost.  
Calculate the total cost and profit if the company charges  
20% profit on cost.

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