

March 2013

Bachelor of Business Administration (BBA) Examination

III Semester

Business Costing

Time 3 Hours]

[Max. Marks 80

Note : All questions are compulsory and carry equal marks.

Q.1. "Costs may be classified in a variety of ways according to their nature and the information needs of management." Explain and discuss this statement giving examples of classifications required for different purposes.

Q.2. XYZ Ltd. has received an offer of quantity discounts on its order of a chemical as follows:

Price per kg (Rs)	kgs
12.00	Less than 500
11.90	500 and less than 1000
11.80	1000 and less than 2000
11.70	2000 and less than 3000
11.60	3000 and above.

The annual requirement of the material is 6000 kg. Ordering cost per order is Rs. 200 and stock holding cost has been estimated at 20% of material cost per annum. Compute most economical purchase order size.

What will be the answer if the supplier gives quantity discounts on total annual purchase and the purchases are allowed to be scattered?

Q.3. What is Labour Turnover ? What are the reasons for Labour Turnover? How is it measured? How do you control labour turnover?

Q.4. What is Integrated Accounting System ? What are its advantages ?

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