

2021

( 3rd Semester )

**COMMERCE**

Paper No. : BC-304

( **Cost Accounting** )

( PART : A—OBJECTIVE )

( Marks : 25 )

*The figures in the margin indicate full marks for the questions*

1. State whether the following statements are *True (T)* or *False (F)* by putting a Tick (✓) mark : 1×5=5

(a) Cost Sheet is a memorandum statement.

( T / F )

(b) Labour once lost cannot be recouped.

( T / F )

(c) Warehouse rent is a part of factory cost.

( T / F )

(d) The price for executing a contract is known as contract price.

( T / F )

(e) Process costing is one aspect of operation costing.

( T / F )

2. Put a Tick (✓) mark against the correct answer in the brackets provided :

1×10=10

(a) Cost classification can be done in

(i) two ways ( )

(ii) three ways ( )

(iii) four ways ( )

(iv) several ways ( )

(b) The cost which is to be incurred even when a business unit is closed, is a/an

- (i) imputed cost
- (ii) historical cost
- (iii) sunk cost
- (iv) shutdown cost

(c) Opening work-in-progress inventory can be calculated as under

- (i) FIFO and Average costing
- (ii) LIFO and Average costing
- (iii) FIFO and LIFO costing
- (iv) None of the above

(d) Which of the following methods of wage payment does not guarantee wages on time basis?

- (i) Halsey premium system
- (ii) Rowan premium system
- (iii) Piece rate system
- (iv) Wage rate system

(e) Indirect material used in production is classified as

- (i) office overhead
- (ii) selling overhead
- (iii) distribution overhead
- (iv) factory overhead

(f) Obsolescence is \_\_\_\_\_ depreciation.

(i) internal ( )

(ii) external ( )

(iii) both internal and external ( )

(iv) None of the above ( )

(g) Contract costing is specialized system of job costing applies to

(i) short-term contracts ( )

(ii) medium-term contracts ( )

(iii) long-term contracts ( )

(iv) continuous process contracts ( )

(h) Which costing is used in printing industry?

(i) Batch ( )

(ii) Output ( )

(iii) Job ( )

(iv) Operation ( )

(i) Process costing is not used in which industry?

(i) Chemical ( )

(ii) Cement ( )

(iii) Textiles ( )

(iv) Oil-refining ( )

(j) Batch costing is applied in

(i) pharmaceutical industries ( )

(ii) computer industries ( )

(iii) toy-making industries ( )

(iv) All of the above ( )

(c) Absorption overhead



(d) Abnormal loss

Normal Profit (5)

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(e) Notional Profit

(d) Abnormal Loss

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