

**BACHELOR OF COMMERCE (Hons)**  
**FOURTH SEMESTER**  
**COST ACCOUNTING**  
**BCM-401**

Duration : 3 hrs.

Full Marks: 70

[ PART-A: Objective ]

Time : 20 min.

Marks : 20

*Choose the correct answer from the following:*

1X20=20

1. Which of the following is not a feature of Cost Accounting?
  - a. Rigidity
  - b. Systematic
  - c. Use of historical data
  - d. Aid to management
2. Cost per unit of a product is influenced by which of the following cost?
  - a. Material
  - b. Overhead
  - c. Labour
  - d. All of the above
3. Cost Control refers to
  - a. A continuous action by members of an undertaking
  - b. A remedial measure by purchase department
  - c. Action by production department
  - d. None of above
4. Salary of Salesman comes under which of the following?
  - a. Fixed Overhead
  - b. Variable overhead
  - c. Controllable direct cost
  - d. Uncontrollable indirect cost
5. Which of the Cost Accounting Standard (CAS) prescribes the principles of Material Valuation?
  - a. CAS 4
  - b. CAS 5
  - c. CAS 6
  - d. CAS 7
6. Economic Order Quantity refers to
  - a. Re-order Level
  - b. Re-order Quantity
  - c. Maximum Level
  - d. Minimum Level
7. Fringe benefit are
  - a. Labour productivity
  - b. Indirect forms of labour productivity
  - c. Contract labour costs
  - d. Monetary benefits
8. How many piece rates are considered under Taylors differential piece rate system?
  - a. Two
  - b. Three
  - c. Four
  - d. Five
9. Overhead is also known as
  - a. Committed Cost
  - b. Notional Cost

- c. On cost  
d. Period Cost
10. When the actual overhead is less than the absorbed overhead is, it is called  
a. Overhead-absorption  
b. Unequal absorption  
c. Under-absorption  
d. None of the above
11. Carriage Outward is  
a. Factory overhead  
b. Administrative overhead  
c. Selling and Distribution overhead  
d. None of the above
12. Which of the following is a feature of Activity based costing?  
a. Accurate assignment of resources and overheads are not possible  
b. Cause -effect method is followed for each activity  
c. Overhead cost is not attributed to the cost center  
d. Difficult in finding Production cost
13. The cost unit used in Cinema Theatre is  
a. Composite Cost  
b. Unit Cost  
c. Both a) and b)  
d. None of the above
14. Service Costing is applied to companies  
a. Which provides standardized services  
b. Rendering services to external customers  
c. Which uses both single and composite service cost units  
d. All of the above
15. Value of work certified is  
a.  $(\text{Cash received}/\text{Total Contract Price}) \times 100$   
b.  $\text{Cash Received}/ (\text{Total Contract Price}-\text{Value of Uncertified Work})$   
c.  $\text{Cash Received}/\text{Percentage of Cash Received}) \times 100$   
d.  $(\text{Cash Received}/\text{Value of Uncertified work})/100$
16. One of the disadvantages of Process Costing is  
a. Less useful for managerial decision making  
b. Not possible to use standard costing in future  
c. Easy allocation of expenditure is not possible  
d. Time factor
17. Interest received on bank deposit is  
a. Pure costing Income  
b. Pure financial Income  
c. Both costing and financial income  
d. None of the above
18. Which of the following cost record method helps in reconciliation of accounts?  
a. Non-Integrated Accounts  
b. Integrated Accounts  
c. Cost Accounts  
d. Financial Accounts
19. Which of the following statement is true?  
a. Sales Account is debited and P/L Account is credited for transfer of sales under Integrated Accounting  
b. Control Accounts do not help in the preparation of final accounts  
c. Different methods of charging depreciation are not a cause for  
d. Same vouchers/documents are not maintained for recording

difference in Profit as per Cost  
Accounts and Financial Accounts

transactions under Cost accounting  
as well Financial Accounting.

20. Which of the following is shown in Cost Accounts?

a. Donations

b. Transfer to Reserve

c. Loss on sale of furniture

d. Interest on owner's capital

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**( PART-B : Descriptive )**

Time: 2 HRS 40 MINS

Marks : 50

[ Answer question no.(1) & any four (4) from the rest ]

1. Discuss the objectives and advantages of Cost Accounting. 10
  
2. Draw the specimen of Cost Sheet. Mention four factors to be considered before installation of a Costing system in an organization. 6+4=10
  
3. The following information is provided by Heritage Production House for the month of April, 2022 10  
Materials in hand:  
Stock on 1-4-2022: 100 units at ₹ 5 per unit  
Purchase of Materials:  
7-4-22: 300 units at ₹ 6 per unit  
12-4-22: 500 units at ₹ 7 per unit  
20-4-22: 600 units at ₹ 8 per unit  
Issue of Materials:  
10-4-22: 250 units  
18-4-22: 400 units  
27-4-22: 500 units  
Calculate using FIFO and LIFO methods of pricing issues  
i) The value of materials consumed during the period  
ii) The value of stock of materials on 28-5-2022
  
4. a. Normal rate of consumption: 500 units 5+5=10  
Re-order Period: 2 to 4 days  
Minimum Stock Level: 3,500 units  
Determine Re-order Level.  
b. Given, Re-order quantity: 4,000 units  
Time required: 2 to 4 months  
Re-order Level: 3,000 units  
Minimum consumption: 400 units  
Calculate Maximum Level
  
5. Write brief notes on- 5+5=10
  - a. Bin Card
  - b. Machine Hour Rate
  
6. What is Labour Turnover? The following information relates to a factory for the month of September 2021 2+8=10  
No. of workers at the beginning of the month: 1400  
No of workers at the end of the month: 1600  
No. of workers who quit during the month: 50

No. of workers who discharged during the month: 100

No. of workers employed during the month: 250

(Including 160 engaged for a new branch)

Calculate Labour Turnover Rate for the month September, 2022 under

- a. Separation Method
- b. Replacement Method
- c. Flux Method

7. Differentiate between Job Costing and Unit Costing. Name two industries where Process Costing is applicable. 8+2=10

8. a. What is Integrated and Non-Integrated Accounting System? 3+7=10

b. Write the procedure for Reconciliation of Profit as per Cost Accounting with that of Financial Accounting.

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