

Q.21 Define the term contribution and Margin of safety.

Q.22 Give the meaning of Idle time in labour costing?

### SECTION-D

**Note:** Long answer type questions. Attempt any two questions out of three questions. (2x8=16)

Q.23 Define labour turnover. Discuss the causes and effects of labour turnover.

Q.24 Discuss the meaning and nature of Cost Accounting in detail.

Q.25 Discuss the various kinds of Budgets in detail.

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Roll No. ....

### 4th Sem./ Finance, Accounts & Auditing

### Subject : Cost Accounting

Time : 3 Hrs.

M.M. : 60

### SECTION-A

**Note:** Multiple choice questions. All questions are compulsory (6x1=6)

Q.1 Which of the following is an example of a fixed cost?

- a) Direct labor                      b) Rent expense
- c) Raw materials                  d) Variable overhead

Q.2 Budgetary control involves:

- a) Setting budgets and comparing them with actual results
- b) Analyzing financial statements
- c) Issuing invoices to customers
- d) Calculating return on investment

Q.3 Labour turnover is calculated as:

- a)  $\frac{\text{Number of employees leaving}}{\text{Average number of employees}} \times 100$
- b)  $\frac{\text{Number of employees joining}}{\text{Number of employees leaving}}$

- c) Total wages paid , Number of employees
  - d) Total working hours , Number of employees
- Q.4 Cost accounting is primarily concerned with:
- a) Recording financial transactions
  - b) Calculating profit
  - c) Analyzing and controlling costs
  - d) Budget preparation
- Q.5 LIFO and FIFO are methods used in :
- a) Inventory valuation
  - b) Labor turnover calculation
  - c) Budget preparation
  - d) Wage payment systems
- Q.6 Which of the following is an example of an indirect cost?
- a) Direct labor                      b) Direct materials
  - c) Factory rent                      d) Raw material

#### SECTION-B

- Note:** Objective/ Completion type questions. All questions are compulsory. (6x1=6)
- Q.7 Direct labor is an example of a variable cost. (True/False)
- Q.8 LIFO assumes that the most recently acquired inventory items are the first to be sold. (True/False)

- Q.9 Labour turnover refers to the rate at which employees are hired by a company. (True/False)
- Q.10 EOQ represents the optimal order quantity that minimizes both ordering costs and carrying costs. (True/False)
- Q.11 At the break-even point, total revenue equals total costs. (True/False)
- Q.12 Budgetary control involves comparing actual performance with planned performance to identify deviations. (True/False)

#### SECTION-C

- Note:** Short answer type questions. Attempt any eight questions out of ten questions. (8x4=32)
- Q.13 What is centralised purchasing?
- Q.14 What are Minimum level and Maximum level in inventory?
- Q.15 Explain in brief about LIFO and HIFO method.
- Q.16 Write a short note on piece wage payment system.
- Q.17 Explain how to calculate break even point.
- Q.18 Write a short note on costing.
- Q.19 Provide 4 advantages of cost accounting.
- Q.20 Explain the elements of cost.