

Q.21 Explain the flexible Budget in short.

Q.22 Give 4 limitations of cost accounting.

### **SECTION-D**

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

Q.23 Explain the classification of cost on various bases.

Q.24 Discuss the meaning and objectives of Budgetary Control.

Q.25 What do you mean by purchase cycle. Also explain the process of issuing material in an organisation.

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**4thSem / 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 variable cost?

- a) Depreciation expense
- b) Rent expense
- c) Direct materials
- d) Salary of a supervisor

Q.2 Budgetary control helps in:

- a) Maximizing costs
- b) Minimizing profits
- c) Comparing actual performance with planned performance
- d) Setting unrealistic goals

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- Q.3 Labour turnover refers to:
- Hiring new employees
  - The rate at which employees leave a company
  - The number of hours worked by employees
  - The salary paid to employees

- Q.4 What is Cost Accounting:
- The process of calculating profit
  - The process of recording financial transactions
  - The process of analyzing, recording, and controlling costs
  - The process of budgeting expenses

- Q.5 LIFO stands for:
- Last In, First Out
  - First In, First Out
  - Last In, Last Out
  - First In, Last Out

- Q.6 In piece rate system, wages are paid based on:
- Hours worked
  - Units produced
  - Skill level
  - Seniority

## SECTION-B

**Note:** Objective/ Completion type questions. All questions are compulsory.  $(6 \times 1 = 6)$

- Q.7 Indirect materials are considered direct costs. (True/False)

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- Q.8 FIFO assumes that the oldest inventory items are the first to be sold. (True/False)
- Q.9 Labour turnover refers to the rate at which employees leave a company. (True/False)
- Q.10 In a piece rate system, employees are paid based on the number of hours they work. (True/False)
- Q.11 Budgetary control involves setting unrealistic goals to challenge employees. (True/False)
- Q.12 Cost Accounting involves analyzing and controlling costs to improve profitability. (True/False)

## SECTION-C

**Note:** Short answer type questions. Attempt any eight questions out of ten questions.  $(8 \times 4 = 32)$

- Q.13 Explain in brief about the FIFO and HIFO method.
- Q.14 Give 4 causes of labour turnover.
- Q.15 Explain time wage payment system in detail.
- Q.16 What are the various elements of cost?
- Q.17 What is decentralised purchasing?
- Q.18 Give the meaning and formula of Economic Order Quantity. (EOQ)
- Q.19 Define the break even point.
- Q.20 Write a short note on cost accounting.

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