

**JMS COLLEGE, MUNGER, BIHAR
(MUNGER UNIVERSITY)
Department of Commerce**

**B.Com Part-III , Cost Management
Multiple Choice Questions (MCQs)**

1. Marginal costing is concerned with;

- a.Fixed cost
- b. variable cost
- c.semi fixed
- d. None of these

2. Cost unit is used for

- a. cost control
- b. cost reduction
- c. ascertainment of cost
- d. Noneof these

3. Pareto'slaw is concerned with;

- a. ABC analysis
- b. VED analysis
- c. JIT
- d. FSND analysis

4. Over head is an aggregate all costs

- a.Indirect cost
- b. direct cost
- c.material cost
- d. all of the above

5. Bad debts are treated as part of

- a.selling overhead
- b. factory overhead

- c.office overhead
- d. any of the above

6. Unit costing is a

- a.technique
- b. method
- c.quotation
- d. tender

7. Which method of costing is used where the job is large and is of long duration;

- a.process costing
- b.batch costing
- c.job costing
- d.contract costing

8. Abnormal process loss is transferred to.....

- a.balance sheet
- b. costing P/L account
- c.Nominal a/c
- d. none of the above

9.Master budget is the summary of :

- a.cash budget
- b. sales budget
- c.production budget
- d. All functional budget

10.Difference between standard cost & actual cost is known as:

- a.Profit
- b. loss
- c.differential cost
- d. variance

11. In an activity based costing implementation, products diverse demand is based on

- a. batch size
- b. complexity
- c. process steps
- d. all of above

12. The following is also known as overhead costs or on costs

- a. cost of direct labour
- b. cost of indirect labour
- c. direct expenses
- d. indirect expenses

13. Which of the following calculate the actual cost of a product;

- a. cost estimation
- b. costing
- c. both a & b
- d. none of the above

14. costing is a type of job costing?

- a. multiple
- b. operating
- c. unit
- d. batch

15. The following cost helps in taking 'make or buy' decision

- a. standard cost
- b. marginal cost
- c. differential cost
- d. sunk cost

Answer key :

1.(b). 2.(c). 3.(a). 4.(a). 5.(c). 6.(b). 7.(b). 8.(b). 9.(d). 10.(d). 11.(d). 12.(d) 13. (b) 14. (c) 15. (c)

Note : Dear students, for any doubt or clarification, send your query at madhulika.kvs@gmail.com