

SAMPLE QUESTIONS

Name of the Programme:	M.Com
Year	First Year
Semester	I
Name of the Course:	Cost and Management Accounting

1. Marginal costs is taken as equal to
 - (a) Prime Cost plus all variable overheads
 - (b) Prime Cost minus all variable overheads
 - (c) Variable overhead
 - (d) None of the above

2. Absorption Costing is also Know as
 - (a) Prime Cost
 - (b) Total Costing
 - (c) Contribution
 - (d) All of above

3. If total cost of 100 units is Rs 5000 and those of 101 units is Rs 5030 then increase of Rs 30 in total cost is
 - (a) Marginal cost
 - (b) Prime cost
 - (c) All variable overheads
 - (d) None of the above

4. When more than one material is used in the manufacture of a product, which of the following variances arises:
 - (a) Material yield variance
 - (b) Material mix variance
 - (c) Material price variance
 - (d) Material usage variance

5. Standard price of material per kg Rs. 20, standards consumption per unit of production is 5 kg. Standard material cost for producing 100 units is
 - (a) Rs. 20,000
 - (b) Rs. 12,000
 - (c) Rs. 8,000
 - (d) Rs. 10,000

6. When preparing a production budget, the quantity to be produced equals:
 - (a) Sales quantity + opening stock + closing stock
 - (b) Sales quantity + closing stock - opening stock
 - (c) Sales quantity + opening stock - closing stock
 - (d) Sales quantity - opening stock - closing stock

7. The budget which helps to plan and control cash _____
 - (a) Production budget
 - (b) Cash budget
 - (c) Sales budget
 - (d) Flexible budget

8. ____include staff salaries, depreciation of building, rent of building.
 - (a) Fixed cost
 - (b) Variable cost

- (c) Sales price
- (d) Rational cost

9. _____ include light and power, water, laundry charges etc.

- (a) Fixed cost
- (b) Variable cost
- (c) Sales price
- (d) Rational cost

10. If the present cost of the car is Rs.2,00,000 residual value at the end of the 5th year is Rs.20,000, the monthly depreciation is.....

- (a) 2000
- (b) 4000
- (c) 3000
- (d) 1000