MULTIPLE CHOICE QUESTIONS FOR MCOM - (MC4C15)

COST MANAGEMENT

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. None of these

3. *Pareto's law 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	2	3	4	5	6	7	8	9	10	11	12	13	14	15
b	c	a	a	c	b	b	b	d	d	d	d	b	c	c