

**U.G Commerce**  
**2<sup>nd</sup> Semester**  
**Paper:- Cost Accounting (Core-03)**

Here's a set of 30 one-mark questions, 30 two-mark questions, and 20 long questions related to Cost Accounting:

**\*\*One-Mark Questions:\*\***

1. What is cost accounting?
2. Define cost classification.
3. What is direct cost?
4. Define indirect cost.
5. Explain the term "cost center."
6. What is cost allocation?
7. Define fixed cost.
8. Explain the concept of variable cost.
9. What is semi-variable cost?
10. Define opportunity cost.
11. Explain the term "cost pool."
12. What is cost apportionment?
13. Define absorption costing.
14. Explain the concept of marginal cost.
15. What is standard costing?
16. Define contribution margin.
17. Explain the term "break-even point."
18. What is job costing?
19. Define process costing.
20. Explain the concept of cost variance.
21. What is cost-volume-profit (CVP) analysis?
22. Define cost estimation.
23. Explain the term "cost driver."

24. What is cost of goods sold (COGS)?
25. Define relevant cost.
26. Explain the concept of cost control.
27. What is cost behavior?
28. Define joint cost.
29. Explain the term "cost allocation base."
30. What is a cost sheet?

**\*\*Two-Mark Questions:\*\***

1. Discuss the objectives and benefits of cost accounting in business.
2. Explain the difference between direct costs and indirect costs, providing examples of each.
3. Discuss the significance of cost centers and their role in cost allocation.
4. Explain the difference between fixed costs and variable costs, including their impact on cost analysis.
5. Discuss the concept of semi-variable costs and provide examples.
6. Explain the importance of opportunity cost in decision-making.
7. Describe the process of cost allocation and its methods.
8. Discuss the difference between absorption costing and marginal costing.
9. Explain the concept of standard costing and its advantages.
10. Discuss the role of contribution margin in break-even analysis.
11. Explain the components of a break-even analysis and how it helps in decision-making.
12. Describe the principles and steps involved in job costing.
13. Explain the concept of process costing and its suitability for different industries.
14. Discuss the significance of cost variance analysis in cost control.
15. Explain the components and applications of cost-volume-profit (CVP) analysis.
16. Describe the process of cost estimation and its methods.
17. Explain the concept of a cost driver and its role in activity-based costing (ABC).
18. Discuss the importance of cost of goods sold (COGS) in financial statements.
19. Explain the concept of relevant costs and their use in decision-making.
20. Discuss the techniques and strategies for cost control in manufacturing and service industries.

21. Explain the concept of cost behavior and its relevance to cost analysis.
22. Describe the methods of allocating joint costs in joint product costing.
23. Explain the concept of a cost allocation base and its use in cost allocation methods.
24. Discuss the preparation and components of a cost sheet in cost accounting.
25. Explain the concept of standard costing variance analysis and its interpretation.
26. Discuss the principles and applications of cost accounting in the service industry.
27. Explain the concept of activity-based costing (ABC) and its advantages over traditional costing methods.
28. Discuss the role of cost accounting in pricing decisions and strategy formulation.
29. Explain the concept of budgetary control and its significance in cost management.
30. Discuss the challenges and limitations of cost accounting in the modern business environment.

**\*\*Long Questions:\*\***

1. Describe the various methods of cost classification and their applications in cost accounting.
2. Explain the different types of cost centers and their relevance in cost allocation.
3. Discuss the advantages and disadvantages of absorption costing and marginal costing methods.
4. Describe the steps involved in job costing and provide examples of industries where it is commonly used.
5. Explain the principles of process costing and provide a comparison between job costing and process costing.
6. Discuss the concept of standard costing and its implementation in a manufacturing organization.
7. Explain the components of break-even analysis and how it helps in profit planning and decision-making.
8. Describe the methods of cost estimation and their applications in budgeting and pricing.
9. Discuss the concept of cost-volume-profit (CVP) analysis and its practical uses in business.
10. Explain the steps involved in cost variance analysis and the significance of identifying and addressing variances.
11. Describe the principles and applications of activity-based costing (ABC) in cost allocation.
12. Discuss the role of cost accounting in budgetary control and the preparation of master budgets.
13. Explain the challenges and ethical considerations in cost accounting, particularly in cost allocation and reporting.

14. Discuss the importance of cost management in achieving competitiveness and sustainability for businesses.
15. Explain the impact of technology and automation on cost accounting practices and analysis.
16. Describe the role of cost accounting in environmental sustainability and responsible business practices.
17. Discuss the applications of cost accounting in the healthcare industry and its role in healthcare cost management.
18. Explain the relevance of cost accounting in nonprofit organizations and the challenges they face in cost measurement.
19. Describe the principles and techniques of cost accounting in the context of international business and global supply chains.
20. Discuss the future trends and emerging practices in cost accounting, including the integration of big data and analytics.