

CBSE Class 12 Cost Accounting 2026 - Set 347



Question Paper

Conducted by the Central Board of Secondary Education (CBSE)

Time Allowed: 3 Hours

Maximum Marks: 60

General Instructions

- (i) Please read the instructions carefully.
- (ii) This question paper consists of 24 questions in two Sections : Section A and Section B.
- (iii) Section A has Objective Type Questions, whereas Section B contains Subjective Type Questions.
- (iv) Out of the given $(6 + 18) = 24$ questions, a candidate has to answer $(6 + 11) = 17$ questions in the allotted (maximum) time of 3 hours.
- (v) All questions of a particular section must be attempted in the correct order.
- (vi) Section A : Objective Type Questions (30 marks) : (a) This section has 6 questions. (b) There is no negative marking. (c) Do as per the instructions given. (d) Marks allotted are mentioned against each question/part.
- (vii) Section B : Subjective Type Questions (30 marks) : (a) This section has 18 questions. (b) A candidate has to do 11 questions. (c) Do as per the instructions given. (d) Marks allotted are mentioned against each question/part.

Section A

1. Answer any 4 out of the given 6 questions on Employability skills. $4 \times 1 = 4$

1(i). Which of the following is **not** a stage of active listening ?

- (A) Receiving (B) Understanding
(C) Non-responding (D) Evaluating

1(ii). State the meaning of the term "Motivation".

1(iii). Which of the following is **not** a part of "Big Five Factors" of personality ?

- (A) Openness (B) Timely
(C) Agreeableness (D) Neuroticism

1(iv). Which of the following is **not** a presentation software ?

- (A) Libre Office Impress (B) Apple Keynote
(C) Audacity (D) MS-PowerPoint

1(v). What is Startup ?

1(vi). There is a garbage bin in your class and it generally gets filled beyond capacity every day. What should you do ?

- (A) Throw garbage on the floor and walk away. (B) Talk to your friends about the problem.
(C) Talk to your teacher. (D) Suggest ways to reduce the amount of garbage collected.

2. Answer any 5 out of the given 7 questions. $5 \times 1 = 5$

2(i). Total cost is also known as _____.

- (A) Cost of manufacturing (B) Factory cost
(C) Cost of sales (D) Cost of production

2(ii). Which of the following is **not** indicated by cost sheet ?

- (A) Total cost of production (B) Quality of the product
(C) Per unit cost of production (D) Total quantity of production

2(iii). Carriage outwards is _____ overheads.

- (A) factory (B) selling
(C) office (D) direct

2(iv). Estimated cost sheet is based on predictable cost figures which are estimated by looking at past figures and analysing the _____ situation.

- (A) current (B) past
(C) future (D) past or future

2(v). State whether the following statement is *True* or *False* :

"Direct cost, Works cost, Cost of production and Total cost are the components of Cost Sheet."

2(vi). In which form is the Production Account presented ?

- (A) Horizontal form (B) Vertical form
(C) Nuclear form (D) Circular form
-

2(vii). Name the document that provides information regarding progress of each job at each operation.

3. Answer any 6 out of the given 7 questions.
 $6 \times 1 = 6$

3(i). Which of the following is **not** a disadvantage of Job Costing ?

- (A) It is too expensive. (B) It is very time consuming.
(C) It is a very tedious task to maintain separate records for each job. (D) It can be easily fitted into the double entry system.
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3(ii). Write an objective of Job Costing.

3(iii). The list of materials required for a particular job for smooth execution of the job, prepared by the planning department, is called :

- (A) Completion Certificate (B) Progress Report
(C) Bill of Materials (D) Report Card
-

3(iv). Name an industry where batch costing is suitable.

3(v). _____ costing is suitable for bridge construction.

3(vi). Salary and wages paid to labourers engaged at site are direct cost hence debited to :

- (A) Process Account (B) Contract Account
(C) Batch Account (D) Wages Account
-

3(vii). The work shall be judged by contractee's architect, surveyor or engineer who issue a certificate, stating the value of work done so far. This certificate is called :

- (A) General work (B) Work certified
(C) Work uncertified (D) Managerial work
-

4. Answer any 5 out of the given 6 questions.
 $5 \times 1 = 5$

4(i). What is meant by the term "Retention money" ?

4(ii). After completion of the contract, with which price is the contractee's account debited and contractor's account credited ?

- (A) Cost price (B) Selling price
(C) Contract price (D) Overheads
-

4(iii). Give any one general principle of process costing.

4(iv). Normal loss is borne by production department, but it leads to _____ in cost per annum.

- (A) increase (B) decrease
(C) no change (D) cannot be determined
-

4(v). Paper manufacturing industries adopts _____ costing. Why ?

4(vi). Define normal loss.

5. Answer any 5 out of the given 6 questions.
 $5 \times 1 = 5$

5(i). In each process all direct costs and overheads are :

- | | |
|---------------------------------|-----------------------------------|
| (A) debited always. | (B) credited always. |
| (C) either debited or credited. | (D) neither debited nor credited. |
-

5(ii). In final process, the output is called :

- | | |
|-----------------|--------------------|
| (A) WIP | (B) Finished goods |
| (C) Normal loss | (D) Abnormal loss |
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5(iii). Name an industry/company that uses operating costing.

5(iv). Operating costing is concerned with ascertainment of operating cost for rendering unit of _____.

5(v). Composite cost unit under operating costing refers to _____ of service.

- | | |
|-----------------------------|-----------------|
| (A) quantum only | (B) period only |
| (C) both quantum and period | (D) transfer |
-

5(vi). Semi-variable cost comprises _____ and _____ cost elements.

6. Answer any 5 out of the given 6 questions.
 $5 \times 1 = 5$

6(i). Chef's cost comes under the category of _____ cost.

6(ii). Why is reconciliation statement prepared ?

6(iii). Name one purely financial charge.

6(iv). Which of the following items is **not** considered in costing records ?

- | | |
|-----------------------|-----------------------|
| (A) Notional salaries | (B) Notional rent |
| (C) Depreciation | (D) Income tax refund |
-

6(v). Appropriation of profits is shown under which account ?

- | | |
|-----------------------------|---|
| (A) Cost Sheet | (B) Process Account |
| (C) Profit and Loss Account | (D) Profit and Loss Appropriation Account |
-

6(vi). Undervaluation of Opening Stock in Cost Accounts will lead to :

- | | |
|----------------------------------|---------------------------------|
| (A) increase in costing profits | (B) decrease in costing profits |
| (C) no change in costing profits | (D) creates abnormal loss |
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Section B

Answer any 3 out of the given 5 questions on Employability skills. Answer each question in 20 – 30 words. $3 \times 2 = 6$

7. State and briefly explain the types of objects used in a sentence.

8. Enlist the four ways to manage stress.

9. Write the steps to insert an image in a presentation.

10. Briefly explain any four types of entrepreneurs.

11. Write any four benefits of green jobs.

Answer any 3 out of the given 5 questions in 20 – 30 words each. $3 \times 2 = 6$

12. Compute Prime Cost :

Direct material = ₹ 24,000

Direct labour = ₹ 15,000

Direct expenses = ₹ 12,000

Other overheads = ₹ 40,000

13. State any two limitations of Job Costing.

14. Why is 'progress advice' prepared ? Who prepares it ?

15. Write two features of Process Costing.

16. Why are services called 'intangible products' ? Give any two reasons.

Answer any 2 out of the given 3 questions in 30 – 50 words each. $2 \times 3 = 6$

17. Sun Pharma Ltd. has an annual demand of 4000 units for one of its medicines. For this the production company has to bear setting up and order processing cost of ₹ 900. The cost of manufacturing is ₹ 800 per unit. The cost of carrying is 10% p.a. Based on this data, compute the Economic Batch Quantity.

18. Explain the concept of 'Cost plus Contracts'.

19. What is meant by 'Reconciliation Statement' ? List any four items that are purely financial charge in nature.

Answer any 3 out of the given 5 questions in 50 – 80 words each. $3 \times 4 = 12$

20. Explain the following in brief :

1. Prime cost
2. Fixed cost

21. State any four features of Contract Costing.

22. 10,000 units of raw material were introduced in Process 'A' at a cost of ₹ 80,000. The output of Process 'A' is transferred to Process 'B'. Normal wastage is 10% and each unit of waste is realised @ ₹ 10. Actual production was 8700 units. Direct wages incurred ₹ 16,000. Indirect expenses amounted to ₹ 4,000. Prepare Process 'A' Account.

23. "Educational institution use operating costing." Comment. Name other two industries/service organisations that use service costing.

24. Prepare a Reconciliation Statement and find profit as per financial records for the year ended March 31, 2025.

Particulars	Financial Records (₹)	Cost Records (₹)
Net Profit		2,75,000
Selling Overheads	70,000	60,000
Provision for Doubtful Debts	4,000	—
Factory Overheads	70,000	80,000
Director's Remuneration	4,000	—
Income Tax Paid	20,000	—
Rent Received	5,500	—
Depreciation	12,000	9,000
Dividend Received	11,000	—
Administrative Overheads	70,000	49,000

- End of Question Paper -