12 Service Costing

1	**Composite cost unit for a hospital is:**
	(a) Per patient
	(b) Per patient-day
	(c) Per day
	(d) Per bed
2	**Cost of diesel and lubricant is an example of:**
	(a) Operating cost
	(b) Fixed charges
	(c) Semi-variable cost
	(d) None of the above
3	**Cost units used in power sector is:**
	(a) Kilo meter (K.M)
	(b) Kilowatt-hour (kWh)
	(c) Number of electric points
	(d) Number of hours
4	**Absolute Tonne-km. is an example of:**
	(a) Composite units in power sector
	(b) Composite unit of transport sector
	(c) Composite unit for bus operation
	(d) Composite unit for oil and natural gas
5	**Depreciation is treated as fixed cost if it is related to:**
	(a) Activity level
	(b) Related with machine hours
	(c) Efflux of time
	(d) None of the above
6	**Jobs undertaken by IT & ITES organizations are considered as:**
	(a) Project
	(b) Batch work
	(c) Contract
	(d) All the above
7	**In Toll Road costing, the repetitive costs include:**
	(a) Maintenance cost
	(b) Annual operating costs
	(c) None of the above
	(d) Both (a) and (b)

8	**BOT approach means:**
	(a) Build, Operate and Transfer
	(b) Buy, Operate and Transfer
	(c) Build, Operate and Trash
	(d) Build, Own and Trash
9	**Pre-product development activities in insurance companies, include:**
	(a) Processing of Claim
	(b) Selling of policy
	(c) Provision of conditions
	(d) Policy application processing
10	**Which of the following costing method is not appropriate for costing of educational institutes:**
	(a) Batch Costing
	(b) Activity Based Costing
	(c) Absorption Costing
	(d) Process Costing
11	**Which of the following is an example of standing charges in transport costing**
	(a) Road tax and insurance
	(b) Petrol
	(c) Repairs and maintenance
	(d) Tyres.
12	**Sharma Ferry services Pvt Ltd. provide ferry services between two towns. Distance one way is 18.52 nautical miles. Seating capacity of a ferry is 125 passengers. Actual passengers carried in each trip is 80% of seating capacity. Ferry run on all days of month (30 days). Ferry makes a round trips in a day. company is expecting a monthly revenue of 55,56,000. Calculate fare to be charged from a passenger for round trip.**
	(a) 100
	(b) 926
	(c) 1852
	(d) 50.95
13	**Total passenger km run by VRL logistic Ltd. was 43,80,480 for the year between Jodhpur and Pali. The bus made 3 round trips per day. Seating capacity of the bus was 52 passengers and average daily occupancy was 75% and the bus runs on an average 26 days in a month. Calculate the distance between Jodhpur and Pali.**
	(a) 55 km
	(b) 720 km
	(c) 65 km
	(d) 60 km
14	**In service costing, costs are classified as:**
	(a) Variable cost, fixed cost & marginal cost
	(b) Standing charges, running charges & maintenance costs
	(c) Fixed cost, normal cost & standard cost
	(d) Standard cost, marginal cost & fixed cost

15	Ayush transport service company incurred a total operating cost of ₹ 4,86,000 in June 2023 to operate six buses between two places which are 50 kms apart. Each bus is having a seating capacity of 50 passengers and all buses run on all days with two round trips in a day. If the operating cost per passenger km, is ₹ 0.30, then the capacity occupied in each bus is:
	(a) 90%
	(b) 80%
	(c) 75%
	(d) 100%
16	In case of goods transport, which of the following is suitable cost unit to be used for cost ascertainment:
	(a) Kilometre
	(b) Per day.
	(c) Ton - kilometre
	(d) Per litre
17	A transport company is running 5 buses between two towns, which are 30 km apart. Seating capacity of each bus is 50 passengers. Normal occupancy in onwards journey is 90% and in return journey is 80% of its seating capacity. All the buses ran on 30 days of the month. Each bus made 3 round trip per day. Passenger km per month will be:
	(a) 10,51,00
	(b) 9,56,250
	(c) 11,47,500
	(d) None of the above
18	A hotel having 200 rooms of which 80% are normally occupied in summer 60% in Autumn and 25% in winter. Period of summer, autumn and winter be taken as 4 months each and normal days in a month be assumed to be 30. The total occupied room days will be:
	(a) 39200 Room days
	(b) 39600 Room days
	(c) 39000 Room days
	(d) None of the above
19	Boiler house costing is an example of ....costing.
	(a) Contract
	(b) Process
	(c) Service
	(d) All of above
20	Find out the most appropriate unit cost from the following information of ZMD Transport Services Ltd. dealing in goods carriage:
	Total cost = 5,25,000
	Kms. Travelled = 8,75,000
	Tonnes carries = 4,000
	No. of Drivers = 25
	No. of trucks = 20
	Tonnes Km carried = 6,55,000

	(a) ₹ 0.6
	(b) ₹ 0.8
	(c) ₹ 21,000
	(d) ₹ 131.25 **[MTP-April 24]**
21	**A truck carrying 10 tons of goods over 200 kilometres per day for 26 days in a month. The ton kms applicable is:**
	(a) 52,000
	(b) 20,000
	(c) 5200
	(d) 260 **[MTP-July 24]**
22	**A hotel has 200 rooms (120 Deluxe rooms and 80 Premium rooms). The normal occupancy in summer is 80% and winter 60%. The period of summer and winter is taken as 8 months and 4 months respectively. Assume 30 days in each month. Room rent of Premium room will be double of Deluxe room. Hotel is expecting a profit of 20% on total revenue, total cost for the year is 2,66,11,200. Calculate the room rent to be charged for Premium room.**
	(a) ₹ 450 per room day
	(b) ₹ 900 per room day
	(c) ₹ 380 per room day
	(d) ₹ 760 per room day **[RTP-Sep. 24]**
23	**ALC Ltd. is a insurance company. It launched a new term insurance policy Names as Protection Plus. The total cost for the policy during the year is ₹ 1,60,00,000. Total number of policies sold is 410 and total insured value of policies is ₹ 920 crore.**
	What is the cost per rupee of insured value?
	(a) ₹ 0.0017
	(b) ₹ 0.18
	(c) ₹ 575
	(d) ₹ 2.24 **[RTP-Sep. 24]**

Answer Key		
Q. No.		**Answer**
1	(b)	Per patient-day
2	(a)	Operating cost
3	(b)	Kilowatt-hour (kWh)
4	(b)	Composite unit of transport sector
5	(c)	Efflux of time
6	(a)	Project
7	(a)	Maintenance cost
8	(a)	Build, Operate and Transfer
9	(c)	Provision of conditions
10	(d)	Process Costing
11	(a)	Road tax and insurance
12	(c)	1852
13	(d)	60 km
14	(b)	Standing charges, running charges & maintenance costs
15	(a)	90%
16	(c)	Ton – kilometre
17	(c)	11,47,500
18	(b)	39600 Room days
19	(c)	Service
20	(b)	₹ 0.8
21	(a)	52,000
22	(b)	₹ 900 per room day
23	(a)	₹ 0.0017

Notes