

<b>ADVANCED COST ACCOUNTING</b>				
<b>Question</b>	<b>Answer1</b>	<b>Answer2</b>	<b>Answer3</b>	<b>Answer4</b>
Completed output from a manufacturing process in a process totalled 10000 units. There was no WIP at the beginning of the period but 900 units, 60% complete, remained in the process at the end. Then Equivalent units for closing WIP are....	360	540	500	1000
Abnormal loss= .....	Actual Output - Input	Actual Output - Normal Output	Input - Actual Output	Normal Output - Actual Output
Opening WIP is 1500 units, Fresh Units Introduced in Process 18500 units, Normal Loss is 10% of Total Input, Transferred to Next Process 15000 units, Closing WIP is 5000 units. As per FIFO method reconciliation of units shows....	Abnormal Loss of 2000 units	Abnormal Gain of 2000 units	Abnormal Loss of 4000 units	Abnormal Gain of 4000 units
Cost of the process is Rs 66080, Scrap Value of Normal Loss is Rs 1600, Input is 1600 units, Normal Loss is 400 units. Cost per unit will be.....	53.73	51.25	50	55
Inventory is 1000 units & its degree of completion-Raw Material 100%, Labour 80% & Overheads 70%. The equivalent units will be.....	Raw Material 1000 units, Labour 1000units, Overheads 1000 units	Raw Material 1000 units, Labour 800 units, Overheads 700 units	Raw Material 700 units, Labour 1000 units, Overheads 800 units	Raw Material 800 units, Labour 1000 units, Overheads 700 units
.....means production that does not meet with dimentional or quality standards in such a way that it cannot be rectified economically and is sold for a disposal value.	Waste	Scrap	Spoilage	Salvage
As per.....method total overheads of the service departments are distributed to other service departments and production departments as per the given percentage till the expenses of service departments remains insignificant.	Repeated Distirbution Method	Simultaneous Equation Method	Step Down Method	Trial and Error Method

As per primary distribution Service Department X's overheads are Rs 234 and that of Y's overheads are Rs 300. 10% of X dept's Expenses are charged to Y dept and 20% of Y dept's expenses are charged to X dept. As per simultaneous equation method total overheads of X dept will be.....	Rs 300	Rs 330	Rs 234	Rs 360
Which of the following systems focuses on activities as the fundamental cost objects and uses the costs of those activities for compiling the indirect costs of products?	Job costing	Activity-based costing	Process costing	Product costing
Activity rates are determined by	dividing the actual cost for each activity pool by the actual activity base for that pool	dividing the cost budgeted for each activity pool by the estimated activity base for that pool	dividing the actual cost for each activity pool by the estimated activity base for that pool	dividing the cost budgeted for each activity pool by the actual activity base for that pool
An activity that has a direct cause-effect relationship with the resources consumed is a (n)	Cost drive	Overhead rate	Cost pool	Product activity
What is the purpose of ABC?	To identify what product costs are incurred by a company	To allocate and assign all product of costs incurred to the appropriate products or services	To determine a cost object for which cost information is needed	To allocate and assign indirect costs
Prices of goods and services may increase due to following ----- demand pull inflation factor.	Increase in money supply, increase in disposable income	Inadequate agricultural growth, inadequate industrial growth	A situation in which the demand for goods and services increases but the production remain the same.	Loss
Prices of goods and services may increase due to following ----- Supply factors	Increase in money supply, increase in disposable income	Inadequate agricultural growth, inadequate industrial growth	Manipulation of accounting records	Loss

In target costing__	The target cost is established first, then the target price	The target cost is the estimated long-run cost that enables a product or service to achieve a	The focus of target costing is to undercut the competition	Target cost are generally higher than current cost
Which of the following denotes a target cost?	Market price - Desired profit margin	Selling price - Profit margin	Standard selling price - Target profit margin	Market price - ROI
The target cost gap is the estimated cost less the ____ cost	Natural cost	rational cost	Irrational	Target
Which one of the following methods of Inflation Accounting has been proposed by Sandilands Committee of U.K ?	General Price Level Method	Specific Price Level Method	Current Cost Accounting Method	Generally Accepted Accounting Principles
In cost accounting , CPPA stands for__	Current purchasing power accounting	Constant purchasing power accounting	Convex purchasing power accounting	Concurrent purchasing power accounting
Prices of goods and services may increase due to following ----- cost push inflation factors.	Caused due to increase in the cost of production, or increase in the price of raw materials	Fluctuation	auditing	Generally Accepted Accounting Principles
XYZ Limited sold goods throughout the year evenly. The total turnover was Rs 120 lakhs. the general price index at the beginning of the year was 125 and at the end of the year was 150. what value of sales needs to be recorded as per CPP method.	130.91 lakhs	120 lakhs	100 lakhs	300 lakhs
The advantage of using a negotiated transfer price instead of a cost - based transfer price is that	managers should be able to consider opportunity costs in a negotiated price.	Negotiated transfer price provide managers greater autonomy than a cost based transfer	A negotiated transfer price will get a good result if managers act rationally.	All of the above
what is full form of LIFO	last in first out	last in first output	less in fast out	last in fast out

the four tasks that follow take place in the concept known as target costing (1) value engineering (2) establish a target selling price (3) establish a target cost (4) establish a target profit. which is the correct sequence of these tasks	1,3,4,2	3,1,4,2	2,4,3,1	2,3,1,4
Residual income is an example of a _____ performance measurement.	Long term	Short term	Qualitative	Profit Centre
Residual Income is a measure of performance of _____.	Cost Centre	Investment Centre	Profit Centre	Revenue Centre
Machine Shop is a _____	Production Cost Centre	Service Cost Centre	Personal Cost Centre	Anciliary Manufacturing Centre
The basic objectives of Residual Income approach is to have a division that maximizes its _____	ROI	Imputed Interest Charge	Cash flow	Income in excess of a desired minimum return
Prime cost can be defined as _____	The total direct costs of manufacturing a product	The cost of the first stage of the manufacture of a product	The cost of the first stage of the manufacture of a product	The total costs of operating the production department where the product is made
A company has set a target rate of return of 16% for its investment centre. An Investment Centre Manager in this company would _____	Sell all sets that do not generate divisional income of more than 16%	Acquire assets that would increase sales by more than 16%	Acquire any technologically advanced assets that would cause costs to be reduced by 16%	Acquire assets that would increase divisional income by more than 16%
There are three departments A, B and C in a company, The sales of A, B and C are Rs 3,52,000, Rs 2,88,000 and Rs 1,60,000, respectively. The variable costs of A, B and C are Rs 2,40,000, Rs 1,76,000 and Rs 1,44,000 respectively. The direct fixed costs of A, B and C are Rs 28,000, Rs 22,400 and Rs 12,800. Rank the different departments on basis of relative profitability.	A- Rank 3, B- Rank 1 and C- Rank 2	A- Rank 2, B- Rank 1 and C- Rank 3	A- Rank 3, B- Rank 2 and C- Rank 1	Insufficient data to Rank company
Transfer Price is the price _____	At which goods are sold out	At which goods are transferred from one company to another	At which goods are transferred from Indian company to foreign company	at which Inter departmental transfer is made
Which of the following statement is NOT correct under Negotiated Pricing?	Transfer Price is set through negotiation	Transfer Price is set without Negotiation	Divisional managers have full freedom to negotiate	Overall profitability is kept in mind

Which of the following statements regarding transfer pricing is false?	When idle capacity exists, there is no opportunity cost to producing intermediate products for another	Market-based transfer prices should be reduced by any costs avoided by selling internally rather than externally.	No contribution margin is generated by the transferring division when variable cost-based transfer prices are used.	The goal of transfer pricing is to provide segment managers with incentive to maximize the profits of their divisions.
1200 units of microchips are required to be sold to earn a profit of Rs. 1,06,000 in a monopoly market. The fixed cost for the period is Rs. 74,000. The contribution in the monopoly market is as high as 3/4th of its variable cost. Determine the target selling price per unit.	Rs. 450	Rs. 325	Rs. 400	Rs. 350
Which of the following statement is WRONG in case of Dual Pricing?	Selling division is allowed to incur losses	Selling division is credited by cost plus mark up	Selling division is allowed to make profit	Selling division is debited by marginal cost
Which of the following is a limitation of Transfer Pricing?	Divisional Performance Evaluation	Healthy Competitive Spirit	Co-ordination of divisional objectives	
Division R sells one of its products to division S in the same group. The product cost consists of Rs. 160 for materials, Rs.60 for direct labour, Rs.10 for variable overhead and Rs.110 for fixed overhead. R division sets its profit margin equal to 40% of the variable cost. What is the ideal transfer price if R is operating at less than full capacity?	Rs. 432	Rs.160	Rs.340	Rs.230
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<b>ADVANCED FIN. ACCOUNTING</b>				

Question	Answer1	Answer2	Answer3	Answer4
_____ is a currency other than reporting currency of an enterprise	Domestic currency	Foreign currency	Reporting currency	Euro currency
_____ rate is the ratio for exchange of two currencies.	Opening Rate	Closing Rate	Average Rate	Exchange Rate
A foreign operation which is not an integral part of the reporting enterprise is called as _____.	Non-integral Foreign operation	Integral Foreign operation	Foreign branch operation	Sister concern.
Exchange difference arising at on settlement of monetary items in non-Integral operations should be recognised as _____	Asset or liability	Contingent Liability	Income or expense	Foreign Currency Translation Reserve.
In integral operations, purchases, sales, interest etc. is transferred at _____	Opening Rate	Closing Rate	Actual rate / Average Rate	Exchange Rate
_____ in Trial Balance is translated at Opening rate.	Fixed Liabilities	Opening Stock	Closing Stock	Fixed Assets
If opening rate of 1 dollar is Rs. 40 , Closing rate is Rs. 42 and Average Rate is Rs. 41, Debtors of 6000 dollars is equal to	Rs. 2,40,000	Rs. 2,52,000	Rs. 2,46,000	Rs. 2,64,000
Capital of a co-operative society is in the form of _____	share capital	Reserve fund	corpus fund	none of the above
Under the Maharashtra Co-op Societies Act, a society must prepare the Profit & Loss A/c and the Balance Sheet for an accounting year _____	as per Schedule VI	in Form M	in Form N	None of the above
Non-occupancy Charges _____	₹ 1/- per member	service charges	250	₹ 36 per member per year
₹ 250 _____	Maximum amount of cash balance	Audit charges per member	Share of each member in capital of the society	Maximum Non-Occupancy Charges
A member who holds jointly a share of society with others, but whose name does not stand first in the share certificate _____	Nominal Member	Sympathiser Member	Associate Member	Co-member
Goodwill and Preliminary Expenses are shown in the balance sheet of the Co-operative Housing Society under _____	Fixed Assets	Current Assets	Loans & Advances	Miscellaneous Expenditure
In this case, the Society as a whole is in a way the owner of the property. _____	Tenant Co-op Partnership Societies	House Mortgage Societies	Tenant Ownership Societies	House Construction Societies
_____ strives to promote interest of its members or other consumers by supplying required quantity of quality goods at reasonable prices by eliminating intermediaries.	Tenant Co-op Partnership Societies	House Mortgage Societies	Consumer Co-operative Societies	House Leasing Societies

The maximum limit applicable to the housing societies for cash balance is _____	10000	5000	4000	2000
Unpaid Dividend is shown in the balance sheet of a co-operative housing society under _____	Share Capital	Reserve Funds and other Funds	seperately	Secured Loans
Banking companies in India are governed by _____.	Banking Regulation Act	Share capital	Reserves & surplus	State of law
A banking company requires a licence from _____.	RBI	Central Govt.	SBI	State Govt.
A banking company in Mumbai must have ` _____ capital.	15 lakh	25 lakh	35 lakh	5 lakh
Term loans are disclosed under.	Investments	Fixed assets	Advances	Any ledger
Cash credits and overdrafts are shown under	Currents assets	Advances	Fixed assets	ledger
Non banking assets are shown under	Current assets	Non-banking assets	Other assets	NPA
General insurance includes	Fire insurance	Marine insurance	Misc. insurance	all a, b & c
The insured is not allowed to make any profit is	Life insurance	Fire insurance	Life and Fire insurance	Local Insurance
Fire insurance is subject to	average clause	risk clause	escalation clause	Subclause
The policy in which the liability of the insurer is limited is	Specific policy	Valued policy	Floating policy	Comprehensive policy
Premium received in advance is disclosed under the head	Provision	Current liability	Fixed assets	Advances
Revenue A/c is prepared in the form	RA	B-RA	C-RA	D-RA
Re-insurance claim receivable is disclosed under	Provisions	Other assets	Current Liabilities	Advances
Dividend distribution tax is disclosed under	Miscellaneous expenditure	Provisions	Fixed liabilities	Current liabilities
Application money for investments is shown under	Other assets	Advances	Current liabilities	Provisions
If opening rate of 1 dollar is Rs. 40 , Closing rate is Rs. 42 and Average Rate is Rs. 41, opening stock of 2000 dollars is equal to	Rs. 80,000	Rs. 84,000	Rs. 82,000	Rs. 88,000
If opening rate of 1 dollar is Rs. 40 , Closing rate is Rs. 42 and Average Rate is Rs. 41, Cash and Bank balance of 1000 dollars is equal to	Rs. 40,000	Rs. 42,000	Rs. 41,000	Rs. 44,000
<b>DIRECT &amp; INDIRECT TAX</b>				
<b>Question</b>	<b>Answer1</b>	<b>Answer2</b>	<b>Answer3</b>	<b>Answer4</b>

During the previous year 2019-20, if Mr. Sachin Tendulkar satisfies any of the basic conditions and satisfies only one of the additional condition, then he shall be considered as _____	Non-Resident	Resident but Not Ordinarily Resident	Resident and Ordinary Resident	Foreign National
During the previous year 2019-20, if Mr. Saurav Ganguly does not satisfies any of the basic conditions, then he shall be considered as _____	Non-Resident	Resident but Not Ordinarily Resident	Resident and Ordinary Resident	Foreign National
Rate of tax is determined by _____ Act	Commerce	Sales	Contract	Finance
Basic condition for a person who leaves India for employment will be _____	at least 182 days in India	at least 60 days in previous year and 365 days in preceding 4 years	at least 730 days in preceding 7 years	all of the above
Income Tax extends to _____ of India	states	Union territories	Whole	Interior
Mrs. Jennifer, a foreign national visited India during previous year 2019-20 for 61 days. During 4 preceding previous years she was in India for 389 days, prior to that she never visited India. For the assessment year 2019-20, she is	Resident and Ordinary Resident	Resident but Not Ordinarily Resident	Non-Resident	Indian Citizen
Income which accrues or arise outside India and also received outside India is taxable in case of _____	Non-Resident	Resident but Not Ordinarily Resident	Resident and Ordinary Resident	Foreign National
Residential status is to be determined for _____	Previous year	Assessment year	Accounting year	Calender year
Income received in India _____	is taxable only for a resident	is not taxable only for a non-resident	is taxable for a resident, a resident but not ordinarily resident and a non-resident	is exempt in all cases
The total of 5 heads of income given u/s 14 is called as _____.	Gross total Income	Total Income	Not deductible	Net total Income
For A.Y. 2020-21 Standard Deduction is allowed is Rs, -----	40,000	50,000	50,500	Not Allowed
Salary is defined in ..... under the Income tax act 1961.	Sec 16 (2)	Sec 18 (1)	Sec 19(3)	Sec 17 (1)

Mr. X has started has business from 1st Sept '16 and does not have any other source of income. His first previous year will start from _____	1st April '16	1st Sept '16	1st March 16	1st April 17
Standard deduction is allowed on notional basis of an amount equal to _____% of net annual value.	30.00%	50.00%	20.00%	40.00%
Agriculture income is _____	Taxable	Partially taxable	Partially exempt	Fully exempt
Municipal valuation of the source is ` 1,20,000 and actful rent received is ` 1,25,000 fair Rent is ` 1,40,000. The gross annual value in this case shall be. Assuming that reduction in rent is due to vacancy.	1,20,000	1,40,000	1,25,000	50,000
Dividend received from a domestic company is _____	fully exempt from tax	fully taxable	taxable upto 50%	taxable upto 30%
Winning from lotteries is _____	fully exempt from tax	fully taxable	taxable upto 50%	taxable upto 25%
Income from Machinery, plant or furniture let out is taxabe under _____	income from salary	income from other sources	income from business or profession	capital gains
Face value of E.S = ₹ 10, FMV = ₹ 12, Issue Price = ₹ 15. What is the amount taxable under income from other sources? _____	2	3	5	Nil
Daily allowances received by a M.P & M.L.A is _____	exempt upto 25,000	exempt upto 50,000	fully taxable	fully exempt from tax
Dividend received from U.T.I is _____	exempt upto 25,000	exempt upto 50,000	fully taxable	fully exempt from tax
Cash award for "Best Teacher" received from Govt is _____	taxable upto 50%	taxable upto 25%	fully exempt from tax	fully taxable
What is the rate at which short term capital gains are taxed in the hands of the partnership firm? _____	0.15	0.2	0.1	0.3
A,B & C are partners in a firm. For the year ended 31/03/2020, the book profits of the firm was calculated as ₹ 3,00,000. The maximum amount admissible as remuneration to partners is _____	270000	150000	0	300000
For claiming exemption under section 54, the assessee should construct the residential property _____	2 years after the date of transfer	3 years after the date of transfer	within 2 years after the date of transfer	within 3 years after the date of transfer
Capital gains are taxed on ----- basis, irrespective of the assessee's method of accounting	accrual	income	cash	historical

For claiming deduction u/s 80 C, the payment or deposit should be made_____	Out of any income	out of any income chargeable to income tax	During the current year out any source	out of salary only
Deduction u/s 80-C for tuition fee shall be allowed for the purpose of_____	any full time education in a school or college	any full or part time education	any part time education in a college abroad	private education only
Deduction u/s 80 C respect of tuition fee is allowed to an individual for_____	any of his children	any of his minor children	any two children of such individual	any dependent children
Scholarships received to meet the cost of education is _____	exempt upto 25,000	exempt upto 50,000	fully taxable	fully exempt from tax
Gift received from father on the occasion of birthday amounting to ₹ 70,000 is _____	fully taxable	fully exempt	taxable upto 50%	taxable upto 25%
Employer contribution to R.P.F. is exempted up to.....percentage.	12	10	8	5
_____ relationship is necessary for taxing the remuneration under the head income from salary.	Scope	Fully exempt	taxable	employer-employee