

1. A contract

- (i) may be void as originally entered into
- (ii) may become void subsequent to its formation
- (iii) cannot become void under any circumstances
- (iv) may become void at the will of a party

- (A) (i)
- (B) (ii)
- (C) (iii)
- (D) (iv)
- (E) Answer not known

2. A person who is not a party to a contract :-

- (i) Cannot sue
- (ii) Can sue
- (iii) Can sue only in well recognised cases
- (iv) May sue if the parties agree

- (A) (i)
- (B) (ii)
- (C) (iii)
- (D) (iv)
- (E) Answer not known

3. The collateral transactions to an illegal agreement are :-
- (i) Void
  - (ii) Illegal
  - (iii) Voidable
  - (iv) Not affected at all
- (A) (i)  
(B) (ii)  
(C) (iii)  
(D) (iv)  
(E) Answer not known
4. A agrees to pay B Rs.2,00,000 if a certain ship does not return at Chennai Port within a year. A's promise can be enforced when the ship:-
- (i) arrives Chennai Port in a damaged condition
  - (ii) is lost during the year
  - (iii) is sunk during the year
  - (iv) arrives Chennai Port in a good condition during the year
- (A) (i)  
(B) (ii) and (iii)  
(C) (i), (ii) and (iii)  
(D) (iv)  
(E) Answer not known

5. In case of breach of warranty, the buyer can
- (i) claim damages only
  - (ii) repudiate the contract
  - (iii) can not return the goods
  - (iv) refuse to take delivery of goods
- (A) (i)  
(B) (ii)  
(C) (iii)  
(D) (iv)  
(E) Answer not known
6. In a contract of sale, unless goods are ascertained, there is
- (i) a sale
  - (ii) an agreement to sell
  - (iii) a void agreement
  - (iv) an unenforceable agreement
- (A) (i)  
(B) (ii)  
(C) (iii)  
(D) (iv)  
(E) Answer not known

7. There is a constructive delivery of goods
- (i) When the seller hands over the buyer the keys of warehouse where the goods are lying
  - (ii) Where a third person in possession of goods acknowledges to the buyer that he holds them on his behalf
  - (iii) When the seller physically delivers the goods to the buyer
  - (iv) When the seller asks the buyer to take delivery of goods
- (A) (i)  
(B) (ii)  
(C) (iii)  
(D) (iv)  
(E) Answer not known
8. On the dishonour of a cheque due to insufficient funds, the drawer is made criminally liable by an amendment passed in
- (A) 1986  
(B) 1988  
(C) 1990  
(D) 1992  
(E) Answer not known

9. A negotiable instrument should be presented for payment to the party who is :-
- (i) Primarily liable
  - (ii) Secondarily liable
  - (iii) Willing to make the payment
  - (iv) Capable of making payment
- (A) (i)  
(B) (ii)  
(C) (iii)  
(D) (iv)  
(E) Answer not known
10. A failure to present a Negotiable Instrument for payment as per the rules, discharges
- (i) all the parties to the instrument
  - (ii) all parties except those secondarily liable
  - (iii) all parties except those primarily liable
  - (iv) none of the parties to the instruments
- (A) (i)  
(B) (ii)  
(C) (iii)  
(D) (iv)  
(E) Answer not known

11. Powers of Inspector under Factories Act are :
- (i) To enter any place which is used or which he has reason to believe is used as a factory.
  - (ii) Make examination of premises, plant, machinery.
  - (iii) Require the production of any document relating to factory.
  - (iv) To recruit workers in factory.
- (A) (i) and (ii) only  
(B) (iv) only  
(C) (i) and (iii) only  
(D) (i), (ii) and (iii) only  
(E) Answer not known
12. As per payment of Gratuity Act, the ceiling of the gratuity for Central Government employees enhanced to :
- (A) Rs. 12 Lacs  
(B) Rs. 15 Lacs  
(C) Rs. 18 Lacs  
(D) Rs. 20 Lacs  
(E) Answer not known

13. As per payment of Gratuity Act, calculate tax Gratuity amount for following :
- (i) Last wage drawn – Rs. 26,000
  - (ii) Completed years of service – 10
- (A) Rs. 2,60,000  
(B) Rs. 1,50,000  
(C) Rs. 2,00,000  
(D) Rs. 3,50,000  
(E) Answer not known
14. When the pay of an employee exceeds Rs.15,000/- the contribution to insurance scheme is restricted to :-
- (A) Rs. 10,000/-  
(B) Rs. 5,000/-  
(C) Rs. 15,000/-  
(D) Rs. 20,000/-  
(E) Answer not known

15. 'Superannuation' in relation to an Employee who is the member of the Pension Scheme, means the attainment by the said employee, of the age of \_\_\_\_\_ years.
- (i) 55 years
  - (ii) 58 years
  - (iii) 60 years
  - (iv) 62 years
- (A) (i)  
(B) (ii)  
(C) (iii)  
(D) (iv)  
(E) Answer not known
16. Under the ESI Act, the term "confinement" means labour resulting in the issue of a living child, or labour, after \_\_\_\_\_ weeks of pregnancy resulting in the issue of a child whether alive or dead.
- (i) 13 weeks
  - (ii) 26 weeks
  - (iii) 32 weeks
  - (iv) 36 weeks
- (A) (i)  
(B) (ii)  
(C) (iii)  
(D) (iv)  
(E) Answer not known



17. The term of office of the members of the ESI Corporation shall be:-
- (i) 3 years
  - (ii) 4 years
  - (iii) 5 years
  - (iv) 6 years
- (A) (i)  
(B) (ii)  
(C) (iii)  
(D) (iv)  
(E) Answer not known
18. “Employee” under Payment of Bonus Act means any person (other than an Apprentice) employed on a salary or wage not exceeding \_\_\_\_\_ per month:-
- (i) Rs. 20,000
  - (ii) Rs. 21,000
  - (iii) Rs. 22,500
  - (iv) Rs. 25,000
- (A) (i)  
(B) (ii)  
(C) (iii)  
(D) (iv)  
(E) Answer not known

19. State which of the following statements is/are true:-
- (i) Minimum bonus is payable by the employer whether or not there is any allocable surplus in the accounting year
  - (ii) Minimum bonus is payable at 8.33% of the salary or wages
  - (iii) Minimum bonus is payable at 10% of the salary or wages
  - (iv) The employer need not pay minimum bonus if the employer suffers loss during that year
- (A) (i), (ii) and (iii)
  - (B) (ii) and (iv)
  - (C) (i) and (ii)
  - (D) (i) and (iii)
  - (E) Answer not known
20. \_\_\_\_\_ appoints inspector for the purposes of administration of Minimum Wages Act, 1948.
- (i) Central Govt.
  - (ii) Appropriate Govt.
  - (iii) State Govt.
  - (iv) Local Govt.
- (A) (i)
  - (B) (ii)
  - (C) (iii)
  - (D) (iv)
  - (E) Answer not known

21. Select the odd one out :

From the following which is not a casual income?

- (i) Winnings from lotteries
- (ii) Crossword puzzles
- (iii) Interest on securities
- (iv) Card games
- (A) (i) only
- (B) (iii) only
- (C) (i), (ii), (iv) only
- (D) All of the above
- (E) Answer not known

22. Choose the amount of tax implication of Mr. A who is dealer in shares received the following without consideration.

Bullion, the fair market value of which was Rs. 60,000, on his birthday 19<sup>th</sup> June, 2023.

- (A) Entire Rs. 60,000 is exempt
- (B) Entire Rs. 60,000 is taxable
- (C) In excess of Rs. 50,000 i.e. Rs. 10,000 is taxable
- (D) 50% of Rs. 60,000 is taxable
- (E) Answer not known

23. Choose the tax implication from the following U/s 56(2)(X) (income from other sources)

Kishan HUF gifted a car to son of Karta for achieving good marks in XII board examination. Fair Market value of the car is Rs. 5,25,000

- (A) Taxable
- (B) Not taxable, since car not included in the definition of property
- (C) Excess Rs. 50,000 is taxable
- (D) U/s 56(2) (X) is applicable
- (E) Answer not known

24. Interest on enhanced compensation received by Mr. G during the previous year 2023-24 is Rs. 5,00,000. Compute the amount of chargeability of such interest income.

- (A) Rs. 5,00,000
- (B) Rs. 2,50,000
- (C) Rs. 1,00,000
- (D) Excess of Rs. 1,00,000 i.e. Rs. 4,00,000
- (E) Answer not known

25. Identify the fully taxable allowances under both regimes.
- (i) Fixed Medical Allowances
  - (ii) Warden Allowances
  - (iii) Interim Allowances
  - (iv) Non Practicing Allowances
  - (A) (i), (iii) and (iv) only
  - (B) (i), (ii) only
  - (C) (iii) only
  - (D) All the above
  - (E) Answer not known
26. Income from letting out of vacant land, is taxable under the head
- (A) Income from house property
  - (B) Income from other sources
  - (C) Income from other sources or profits and gains of business or profession as the case may be
  - (D) Any of the above with option of assessee
  - (E) Answer not known
27. In case of let out property/or deemed to be let out property then ceiling limit prescribed on interest on loan borrowed will be
- (A) Rs. 2,00,000
  - (B) Rs. 2,50,000
  - (C) No ceiling limit
  - (D) Rs. 1,00,000
  - (E) Answer not known

28. Identify the profession from the following categories
- (i) A sculptor
  - (ii) An auditor
  - (iii) A doctor
  - (iv) A lawyer
  - (A) (ii), (iii) and (iv) only
  - (B) (i), (ii) and (iii) only
  - (C) (iv) only
  - (D) All the above
  - (E) Answer not known
29. Mention the type of assets excluded from the personal effects
- (i) Jewellery
  - (ii) Archaeological collections
  - (iii) Sculptures
  - (iv) Paintings
  - (A) (i) only
  - (B) (ii) and (iii) only
  - (C) (i), (ii) and (iii) only
  - (D) All the above
  - (E) Answer not known

30. Identify the transactions which is not deemed to be a speculative transactions
- (i) Hedging contract in respect of raw material
  - (ii) Forward contract
  - (iii) Trading in derivatives
  - (iv) Hedging contract in respect of stocks and shares
- (A) (ii) only  
(B) (i) and (iii) only  
(C) (i), (ii) and (iv) only  
(D) All the above  
(E) Answer not known
31. Rate of depreciation applicable for life saving medical equipment is
- (A) 20% (B) 30%  
(C) 40% (D) 15%  
(E) Answer not known
32. XYZ co-operative society withdrawn Rs. 3,10,00,000 on 1.9.2023. Determine the liability of deduction of tax at source U/s. 194 N by the MNO co-operative bank.
- (A) Rs. 20,000 (B) Rs. 3,20,000  
(C) Rs. 3,10,000 (D) No need to deduct TDS  
(E) Answer not known

33. An assessee who is liable to pay advance tax of less than Rs. 10,000 will not be saddled with interest u/s \_\_\_\_\_ and \_\_\_\_\_ for default in payment of Advance Tax.
- (A) 234 C and 234 D (B) 234 A and 234 B  
(C) 234 B and 234 C (D) 234 B and 234 F  
(E) Answer not known
34. An assessee who is liable to pay advance tax of less than Rs. 10,000 will attract \_\_\_\_\_ interest for belated filing or return.
- (A) 234 A (B) 234 B  
(C) 234 C (D) 234 F  
(E) Answer not known
35. The amount of advance tax payable by an assessee in the financial year calculated by \_\_\_\_\_ based on his estimation of current income or as a result of an order u/s 210(3).
- (A) Assessee himself (B) Assessing officer  
(C) Either (A) or (B) (D) CBDT  
(E) Answer not known
36. Rate of TCS for Alcoholic liquor for human consumption to be collected by the seller from the buyer
- (A) 2% (B) 1%  
(C) 1.5% (D) 2.5%  
(E) Answer not known



37. As per section 206(C) (1H), tax is also required to be collected by seller, who receives any amount as consideration for sale of goods of the value or aggregate of such value exceeding Rs. \_\_\_\_\_ in a previous years (other than exported goods)
- (A) Rs. 50 lakhs
  - (B) Rs. 25 lakhs
  - (C) Rs. 10 lakhs
  - (D) Rs. 1 crore
  - (E) Answer not known
38. ABC Ltd makes the following payments to Mr. X a contractor, for contract work during the previous year 2023-24.
- Rs. 20,000 on 1.5.2023
- Rs. 25,000 on 1.8. 2023
- Rs. 28,000 on 1.12.2023
- Rs. 30,000 due on 1.3.2024
- Compute the amount of tax to be deducted u/s 194C from payment made to Mr. X
- (A) Rs. 730
  - (B) Rs. 1,000
  - (C) Rs. 1,300
  - (D) Rs. 1,030
  - (E) Answer not known

39. Calculate TDS u/s 194A in the following cases

On 1.10.2023, Mr. Harish made a six month fixed deposit of Rs. 10 lakhs @ 9% p.a. with ABC co-operative bank. The fixed deposits matures on 31.03.2024.

- (A) Rs. 9,000 (B) Rs. 90,000  
(C) Rs. 45,000 (D) Rs. 4,500  
(E) Answer not known

40. Rate of TDS for professional services under section 194 J is

- (A) 6%  
(B) 5%  
(C) 10%  
(D) 15%  
(E) Answer not known

41. Which is the numerator in calculating ARR?

- (i) Average Net Income  
(ii) Original Investment  
(iii) Average Investment  
(A) (i) (B) (ii)  
(C) (iii) (D) (ii) or (iii)  
(E) Answer not known

42. \_\_\_\_\_ ignores time value of money.

(i) IRR

(ii) ARR

(iii) NPV

(iv) PI

(A) (i)

(B) (ii)

(C) (iii)

(D) (iv)

(E) Answer not known

43. In mutually exclusive projects, projects which are selected for comparison must have

(i) Positive NPV

(ii) Negative NPV

(iii) Zero NPV

(iv) NPV is not relevant

(A) (i)

(B) (ii)

(C) (iii)

(D) (iv)

(E) Answer not known

44. Pay back period in which the expected cash flows are discounted with the help of project cost of capital is classified as

- (i) Discounted rate of return
- (ii) Discounted pay back period
- (iii) Discounted cash flows
- (iv) Discounted project cost

- (A) (i) (B) (ii)
- (C) (iii) (D) (iv)
- (E) Answer not known

45.

	Rs.
Sales	9,60,000
Variable cost	5,60,000
Fixed Cost	2,40,000

Calculate operating leverage :

- (A) 1.5 (B) 3.5
- (C) 2.5 (D) 4.5
- (E) Answer not known

46. Cost of capital refers to

- (i) Flootation cost
- (ii) Dividend paid
- (iii) Required rate of return
- (iv) Interest on capital of partners

- (A) (i) (B) (ii)
- (C) (iii) (D) (iv)
- (E) Answer not known











56. The below scenarios are the example of
- (i) Cash proceeds from issue of shares.
  - (ii) Cash proceeds from issue of Debentures.
  - (iii) Short term, long term borrowings
  - (iv) Repayment of loans
  - (v) Dividend paid
- (A) Operating Activities                      (B) Investment Activities  
(C) Financing Activities                      (D) All of the above  
(E) Answer not known
57. Insurance proceeds from Earthquake disaster settlement of an amount of Rs. 1 lakh. Under Indirect method when starting from profit after Tax and extra ordinary items, how will you treat in cash flow statement?
- (A) Add back to the profit after Tax to find operating profit and subtract to find cash flow from operations
  - (B) Subtract from profit after Tax and then add as an inflow under operating activities cash flow
  - (C) Add the proceeds received under operating activities
  - (D) Add back to profit after tax and then add as cash inflow under operating activities
  - (E) Answer not known



61. Which of the following shows daily receipts and expenditure and the cash balance at the end of each day in case of a co-operative society?
- (A) Day book
  - (B) Sales bill book
  - (C) Receipt book
  - (D) Register for receipts and expenditure
  - (E) Answer not known
62. Balance sheet of a co-operative society should be prepared as per schedule
- (A) III
  - (B) VIII
  - (C) II
  - (D) IX
  - (E) Answer not known
63. According to the Co-operative Societies Act 1912, which of the following accounts must be maintained by every cooperative society?
- (A) General ledger account
  - (B) Members' ledger
  - (C) Profit and Loss Appropriation Account
  - (D) Fixed Assets Register
  - (E) Answer not known

64. In the context of co-operative societies, which account typically shows the allocation of profits among the members after transferring a portion to the reserve fund?
- (A) Dividend payable account  
 (B) Surplus account  
 (C) Reserve fund account  
 (D) General reserve account  
 (E) Answer not known
65. Which account is credited with the amount of net profit that is not distributed as dividends but is instead retained for future use in a co-operative society?
- (A) Reserve fund account                      (B) Dividend payable account  
 (C) General reserve account                  (D) Surplus account  
 (E) Answer not known
66. In case of dependent branches accounting, which are true?
- (i) Goods may be supplied to the branch by the head office at cost price or at invoice price.  
 (ii) All branch expenses are paid by the head office  
 (iii) All branches remit the sale proceeds periodically to head office  
 (iv) Branch maintains stock ledger which gives information about movement of goods from head office and balance in stock
- (A) (i) only    (B) (i) and (ii) only  
 (C) (i), (ii) and (iii) only                      (D) All of the above  
 (E) Answer not known

67. Distinction between departments and branches can be due to
- (A) Location (B) Growth  
(C) Accounting (D) All of the above  
(E) Answer not known
68. In departmental accounting, following expenses cannot be apportioned to a specific department as they do not have any direct connection with the department
- (A) Bank charges (B) Legal expenses  
(C) Directors fees (D) All of the above  
(E) Answer not known
69. In a hotel, servants in the Apartment department had occupied a room worth Rs. 120/- and took meals worth Rs. 60/-. Similarly servants in the meals dept had occupied a room worth Rs. 150/- and took meals worth Rs. 90/-. The total expenses on servants for apartment department and meals department are
- (A) Apartment Dept Rs. 180/- Meals Dept. Rs. 240/-  
(B) Apartment Dept Rs. 270/- Meals Dept. Rs. 150/-  
(C) Apartment Dept Rs. 210/- Meals Dept. Rs. 210/-  
(D) All of the above  
(E) Answer not known
70. In branch accounting, which of the following methods is used to account for branch transactions when the branch maintains it's own set of books?
- (A) Debtors method (B) Stock and Debtors method  
(C) Complete Books method (D) Self-Balancing method  
(E) Answer not known

71. Revenue Receipts are transferred to \_\_\_\_\_ account.
- (A) Credit side receipts account
  - (B) Liability side of balance sheet
  - (C) Credit side of Income and Expenditure A/c
  - (D) Assets side of Balance sheet
  - (E) Answer not known
72. Which of the following is not a typical financial statement for a non-profit organisation in India?
- (A) Statement of Income and Expenditure
  - (B) Balance sheet
  - (C) Receipts and Payments Accounts
  - (D) Cash flow statement
  - (E) Answer not known
73. Which of the following best describes the treatment of Grants received for specific projects in the financial statements of a non-profit organisation in India?
- (A) Grants for specific projects are treated as revenue and reported in the income and expenditure account in the year they are received
  - (B) Grants for specific project are treated as capital funds and reported on the balance sheet under liabilities
  - (C) Grants for specific projects are recorded as a liability on the balance sheet until the specific project expenses are incurred
  - (D) Grants for specific projects are recorded as income and reported in the receipts and payments account
  - (E) Answer not known

74. Which security measure is essential for protecting data in computerized accounting system?
- (A) Regular software updates
  - (B) Access control and user authentication
  - (C) Use of manual record – keeping
  - (D) Regular physical inventory checks
  - (E) Answer not known
75. Which report type is typically generated automatically by computerized accounting system?
- (A) Manual ledger entries
  - (B) Handwritten trial balances
  - (C) Real-time balance sheets
  - (D) Manually prepared cash flow statements
  - (E) Answer not known
76. AS-2 is not applicable for
- (A) work in progress under construction contract
  - (B) work in progress in cement factory
  - (C) work in progress in textile industry
  - (D) work in progress in coal industry
  - (E) Answer not known

77. Raman Ltd Received Subsidy of Rs. 50 Lakh from Government on 1.4.23 by way of promotor contribution. But on 1.4.25, the Government recovered 50% due to Non fulfilment of certain conditions course of action by company.
- (A) Capital Reserve Credited for 25 Lakhs in 1.4.25
  - (B) Capital Reserve Debited for 25 Lakhs in 1.4.25
  - (C) Revenue Reserve Credited for 25 lakhs in 1.4.25
  - (D) Revenue Reserve Debited for 25 lakhs in 1.4.25
  - (E) Answer not known
78. Under AS 16, which costs are eligible for capitalization as part of the cost of qualifying asset?
- (A) Costs related to administrative overheads
  - (B) Costs incurred during the idle period
  - (C) Interest cost incurred on borrowings
  - (D) Marketing and distribution costs
  - (E) Answer not known
79. Which of the following events requires an adjustments to the financial statements under Ind AS 10?
- (A) A decline in the market value of investments after the reporting period
  - (B) The settlement of a lawsuit after the reporting period that was not previously disclosed
  - (C) An issue of new shares after the reporting period
  - (D) The declaration of a dividend after the reporting period
  - (E) Answer not known



80. Which of the following cost should be capitalized as part of the cost of an asset under Ind AS 16?
- (A) Cost incurred for the routine maintenance of the asset
  - (B) Cost associated with training staff to operate the new equipment
  - (C) Costs that improve the assets' value or extend its useful life beyond the originally assessed standard
  - (D) General administrative costs unrelated to the acquisition (or) construction of the assets
  - (E) Answer not known
81. Which of the following level is generally determined below the minimum level and represents the level where immediate steps are to be taken for getting stock replenished?
- (A) Average level
  - (B) Minimum level
  - (C) Danger level
  - (D) Re-order level
  - (E) Answer not known
82. \_\_\_\_\_ occurs due to faults in operation, bad workmanship, use of defective raw materials, defective machines and faulty tool setting.
- (A) Waste
  - (B) Scrap
  - (C) Spoilage
  - (D) Defective
  - (E) Answer not known

83. Choose the right answer among the type of “Carrying Cost”
- (i) Cost of storage space
  - (ii) Interest amount payable on the investment made in the materials
  - (iii) Insurance cost
  - (iv) Cost of stationery involved in placing order
- (A) (i) and (iii) only                      (B) (i), (ii) and (iv) only  
 (C) (i), (ii) and (iii) only              (D) (i), (ii), (iii) and (iv)  
 (E) Answer not known
84. When the amount of under or over absorption is significant, it should be disposed off by
- (A) Carry over to next accounting year
  - (B) Use of supplementary rates
  - (C) Transferring to P and L a/c
  - (D) All the above
  - (E) Answer not known
85. (1) A purchase requisition is a form used as an informal request to the purchasing department to purchase materials
- (2) It is prepared by the purchase officer.
- (A) (1) and (2) are correct              (B) (1) is true and (2) is false  
 (C) (1) is false and (2) is true        (D) (1) and (2) are false  
 (E) Answer not known

86. State whether True or False

- (1) Purchase order is prepared by the storekeeper
  - (2) It is the evidence of the contract between the buyer the supplier
  - (3) Three to five copies of the purchase order are prepared depending on the size of the organisation
- (A) (1) false (2) and (3) true            (B) (1) and (2) false (3) true  
(C) (1) and (2) true (3) false            (D) (1), (2) and (3) are true  
(E) Answer not known

87. State whether True or False

- (1) Stores Ledger is maintained in the stores.
  - (2) Tender form is issued by the purchasing department.
  - (3) Goods received note is prepared by the goods receiving clerk.
- (A) (1), (2) and (3) are true            (B) (1) false (2) and (3) true  
(C) (1), (2) and (3) are false            (D) (1) and (2) false (3) true  
(E) Answer not known

88. Differential piece rate systems

- (A) are complicated
- (B) are discriminatory
- (C) pay workers in proportion to their efficiency
- (D) all the above
- (E) Answer not known

89. Under Emerson's efficiency plan the worker gets normal wages at

- (A) 100% efficiency            (B)  $66\frac{2}{3}$  % efficiency
- (C) 80% efficiency            (D) 75% efficiency
- (E) Answer not known

90. Holiday pay and leave pay are charged to
- (A) Work on progress
  - (B) Direct labour cost
  - (C) Administrative cost
  - (D) Factory overhead
  - (E) Answer not known
91. State whether True or False
- (1) How time wages does not necessarily mean low cost of production and High wages mean high cost of production.
  - (2) In time wages payment is given according to output produced.
- (A) (1) false (2) true
  - (B) (1) true (2) false
  - (C) (1) and (2) true
  - (D) (1) and (2) false
  - (E) Answer not known
92. Which of the following methods of wage payment is most suitable where the speed of production is beyond the control of worker?
- (A) Time Rate System
  - (B) Piece Rate System
  - (C) Halsey Premium System
  - (D) Rowan Premium System
  - (E) Answer not known
93. Which of the following method of wage payment does not guarantee wages on time basis?
- (A) Halsey premium system
  - (B) Rowan premium system
  - (C) Piece rate system
  - (D) Taylor's Differential Time Rate System
  - (E) Answer not known

94. Calculate Labour Turnover according to separation method  
No.of workers on payroll.

At the beginning of the month – 500

At the end of the month – 600

During the month 5 workers left, 20 persons were discharged and 75 workers were recruited. Of these 10 were recruited in place of those leaving and the rest were engaged in an expansion scheme.

- (A) 12.8%
- (B) 18.2%
- (C) 1.8%
- (D) 4.5%
- (E) Answer not known

95. Pre determined rate of absorption of overhead helps in

- (A) Comparison with established standards or norms
- (B) Quick preparation of cost estimates and quoting prices
- (C) Where differences in products are more
- (D) Where there are delays in the determination of cost of the products
- (E) Answer not known



99. Basics of apportionment of depreciation of plants is

- (A) Value of plants in each department
- (B) Direct wages of each department
- (C) Indirect wages of each department
- (D) Scrap value of the plants in each department
- (E) Answer not known

100. Compute Machine Hour Rate from the following data :

Cost of the machine ₹ 3,00,000

Estimated scrap value after expiry of useful life 15 years Rs. 50,000

Straight line method of depreciation is followed.

Rent and Rates per month Rs. 2,000

Insurance premium per annum Rs. 6,000

Estimated working hours per annum Rs. 2,000

- (A) Rs. 40 per machine hour
- (B) Rs. 30 per machine hour
- (C) Rs. 35 per machine hour
- (D) Rs. 20 per machine hour
- (E) Answer not known

101. The problems associated with Zero Base Budgeting are

- (A) Implementation problems
- (B) Decision Package formulation problems
- (C) Cost problems
- (D) All of the above
- (E) Answer not known

102. Zero Base Budgeting is considered to be an improvement over traditional method of budgeting which is also known as
- (A) Incremental budgeting
  - (B) Decremental budgeting
  - (C) Conventional budgeting
  - (D) Performance budgeting
  - (E) Answer not known
103. State whether True or False
- (1) Ranking of Decision Packages in ZBB is based on Cost Benefit Analysis.
  - (2) Zero Base Budgeting considers every time alternative ways of performing the same job because zero is taken as a base every time.
- (A) Both (1) and (2) True
  - (B) (1) True (2) False
  - (C) (1) False (2) True
  - (D) Both (1) and (2) False
  - (E) Answer not known
104. \_\_\_\_\_ is a method of Budgeting whereby all activities are evaluated each time a budget is set.
- (A) Conventional Budgeting
  - (B) Master Budget
  - (C) Production Budget
  - (D) Zero base budgeting
  - (E) Answer not known



105. Prepare collection from sales/debtors from the data for the month of April, May, June.

	Sales
Feb.	14,000
Mar.	15,000
Apr.	16,000
May	17,000
June	18,000

Sales / Debtors – 10%. Sales are on cash, 50% of Credit Sales are collected next month and the balance in the following month.

- (A) 14,650, 15,000, 16,650
- (B) 14,650, 15,650, 16,250
- (C) 14,250, 15,650, 16,650
- (D) 14,650, 15,650, 16,650
- (E) Answer not known

106. Prepare overheads for the month of April, May, June.

Credit period  $\frac{1}{2}$  month.

	Overheads
Feb.	1,700
Mar.	1,900
Apr.	2,000
May	2,200
June	2,300

- (A) 1,950, 2,000, 1,950
- (B) 1,950, 2,100, 2,250
- (C) 1,950, 2,000, 2,150
- (D) 1,300, 2,200, 2,450
- (E) Answer not known

107. Calculate production for the month of January from the following details :

Sales – 60,000 units

Estimated Opening Stock 30,000 units

Estimated Closing Stock 24,000 units

- (A) 40,000 units
- (B) 45,000 units
- (C) 54,000 units
- (D) 50,000 units
- (E) Answer not known

108. From the following information calculate variable portion and fixed portion of the semivariable cost

At	60%	100%
	Capacity	Capacity
	(600 units)	(1000 units)
Maintenance	Rs. 1,100	Rs. 1,500

- (A) Variable cost = Rs. 1 per Fixed cost = Rs. 500
- (B) Variable cost = Rs. 10 per Fixed cost = Rs. 50
- (C) Variable cost = Rs. 1.5 per Fixed cost = Rs. 500
- (D) Variable cost = Rs. 1.1 per Fixed cost = Rs. 550
- (E) Answer not known

109. Budgetary control reveals the root of inefficiencies and allows management to consider the items that do not go according to plan, this is called as

- (A) Management by Exception
- (B) Management by Objective
- (C) Cost Control
- (D) Non Co-operation
- (E) Answer not known

110. State whether True or False

- (1) The success of budgetary control depends on co-operation and team work
- (2) Budget is only a management tool. It is not a substitute for management
- (A) Both (1) and (2) True
- (B) Both (1) and (2) False
- (C) (1) True (2) False
- (D) (1) False (2) True
- (E) Answer not known

111. State whether the statements are True or False.

- (1) Budgetary control system can be adopted in parts
- (2) Standard costing system cannot operate in parts
- (A) Both (1) and (2) False
- (B) (1) False (2) True
- (C) (1) True (2) False
- (D) Both (1) and (2) True
- (E) Answer not known

112. State whether True or False

- (1) Budgetary control is concerned with the operation of the Business as a whole and hence it is more extensive.
- (2) Standard costing is related with the control of the expenses and hence it is more intensive
- (A) Both (1) and (2) False
- (B) Both (1) and (2) True
- (C) (1) True and (2) False
- (D) (1) False and (2) True
- (E) Answer not known

113. Standard costs are based on engineering and technical data as such they are scientifically

- (A) Estimated
- (B) Calculated
- (C) Pre determined
- (D) Unplanned
- (E) Answer not known

114. When the level of activity \_\_\_\_\_, fixed budget cannot be used for comparison.

- (A) increases
- (B) decreases
- (C) fluctuate both ways
- (D) constant
- (E) Answer not known

115. What are all essential characteristics of Budget?

- (1) Budget is a detailed plan of all the economic activities of a business.
  - (2) A budget acts as a business barometer.
  - (3) Budget is usually prepared in the light of present experiences.
  - (4) Budget is a not constant endeavour of the management.
- (A) (2) and (4)
  - (B) (1) and (2)
  - (C) (1) and (3)
  - (D) (3) and (4)
  - (E) Answer not known

116. The difference between fixed and variable cost has a special significance in the preparation of

- (A) Flexible Budget
- (B) Master Budget
- (C) Cash Budget
- (D) Functional Budget
- (E) Answer not known

117. In case of materials, the key factor may be
- (1) Insufficient advertising
  - (2) Restrictions imposed by quota
  - (3) Low market demand
  - (4) Insufficient capacity
- (A) (1)  
(B) (2)  
(C) (3)  
(D) (4)  
(E) Answer not known
118. Preparing budget figures for different levels of activity within a range under flexible budgeting is
- (A) Multi Activity Method
  - (B) Formula Method
  - (C) Budget Cost Allowance Method
  - (D) Budget for Key factor
  - (E) Answer not known
119. Which information given below should be contained in a Budget manual?
- (A) An organisation chart
  - (B) Time table for Budget preparation
  - (C) A list of account codes
  - (D) All of the above
  - (E) Answer not known

120. State True or False

- (1) Budgeting system integrates all key managerial functions.
- (2) Budgeting may be said to be the act of building budgets.
- (A) (1) True (2) False
- (B) (1) False (2) True
- (C) (1) and (2) False
- (D) (1) and (2) True
- (E) Answer not known

121. Dividend paid is of the nature of

- (A) Appropriation of profits
- (B) Financial charges
- (C) Financial incomes
- (D) Cost of goods sold
- (E) Answer not known

122. Closing stock in costing books is valued at

- (A) Cost or market price whichever is lower
- (B) Factory cost of goods produced
- (C) Cost of production
- (D) Market price
- (E) Answer not known



123. Cost of materials, wages, overheads of each job undertaken is posted in
- (A) Stores ledger control a/c
  - (B) General ledger adjustment a/c
  - (C) Work-in-progress ledger
  - (D) Finished goods control a/c
  - (E) Answer not known
124. Abnormal spoilage under integrated system of accounting \_\_\_\_\_ a/c is debited
- (A) Normal Loss
  - (B) Costing P and L
  - (C) Abnormal Loss
  - (D) WIP
  - (E) Answer not known
125. Interlocking system of book keeping is a system in which
- (A) A single, combined system containing both cost and financial accounting record are kept
  - (B) A single combined system containing both cost and management accounting records are kept
  - (C) A system where separate accounts for cost and financial accounting are kept
  - (D) A system with highly secured access is maintained
  - (E) Answer not known

126. For recording depreciation charges on machinery under integral accounting \_\_\_\_\_ overhead is debited and \_\_\_\_\_ a/c credited.
- (A) Production and Machinery
  - (B) Machinery and Production
  - (C) Factory overheads and stores
  - (D) Stores and Machinery
  - (E) Answer not known
127. For recording of credit sales under integrated accounting \_\_\_\_\_ are debited and \_\_\_\_\_ are credited.
- (A) Debtors and Sales
  - (B) Creditors and Sales
  - (C) Debtors and Stores
  - (D) Creditors and Stores
  - (E) Answer not known
128. Abnormal loss of materials in case of integrated system of accounting is charged to
- (A) Stores ledger control account
  - (B) Factory overhead control account
  - (C) Work in progress control account
  - (D) Profit and loss account
  - (E) Answer not known

129. (1) Normal cost is the cost which is normally incurred at a given level of output

(2) Normal cost is not a part of cost of production

State whether the statements are true or false.

(A) (1) True (2) False

(B) (1) False (2) True

(C) Both (1) and (2) are True

(D) Both (1) and (2) are False

(E) Answer not known

130. Which of the following items are excluded from cost accounts?

(1) Purely financial charges

(2) Appropriation of profit

(3) Writing off Intangible assets

(4) Notional charges

(A) (1), (2) , (3) and (4)

(B) (1), (2) and (4) only

(C) (1), (3) and (4) only

(D) (1), (2) and (3) only

(E) Answer not known

131. Calculate cost per quintal km from the following data, if the total cost is Rs. 8,000.

Day	Qty. in Quintals	Distance in kms
1	30	50
2	15	100
3	10	60
4	20	70

- (A) Rs. 1.80                      (B) Rs. 1.90  
(C) Rs. 1.20                      (D) Rs. 1.60  
(E) Answer not known

132. A transport company is running 4 buses between 2 towns which are 50 kms apart. Seating capacity of each bus is 40 passengers. Actual passengers carried were 75% of the seating capacity. All the 4 buses run on all the days of the month. Each bus made one round tripper day. Find out the total passenger kilometers

- (A) 3,20,000 passenger kms              (B) 2,30,000 passenger kms  
(C) 3,60,000 passenger kms              (D) 3,00,000 passenger kms  
(E) Answer not known

133. Indian Railways should adopt

- (A) Single or output costing              (B) Batch costing  
(C) Multiple costing                      (D) Operating costing  
(E) Answer not known

134. The book in which expenses increased by a transport company for different trips is recorded is known as
- (A) Bill book (B) Operating cost sheet  
 (C) Proforma invoice (D) Log book or Log sheet  
 (E) Answer not known
135. Calculate total passenger kms from the following particulars no. of buses 5, Days operated 25 days round trips
- |                                      |   |                        |
|--------------------------------------|---|------------------------|
| Made by each bus                     | – | 4                      |
| Distance of route                    | – | 20 kms long (one side) |
| Capacity of bus                      | – | 40                     |
| Normal passenger travelling capacity | – | 90%                    |
- (A) 9,00,000 Passenger kms (B) 3,60,000 Passenger kms  
 (C) 9,60,000 Passenger kms (D) 5,00,000 Passenger kms  
 (E) Answer not known
136. The stage where joint products are separated from each other is known as
- (A) Break even point (B) Indifference point  
 (C) Peak point (D) Split off point  
 (E) Answer not known
137. If equivalent units produced were 650 units. With closing stock 60% complete of 50 units and 30% complete in opening stock of 100 units, how many units were introduced and completed?
- (A) 600 (B) 700  
 (C) 650 (D) 550  
 (E) Answer not known

138. The degree of completion of work is determined by comparing the work certified with
- (A) Cost Incurred
  - (B) Contract Price
  - (C) Work – in – progress
  - (D) Cash received
  - (E) Answer not known
139. Cost price is not fixed in case of
- (A) Cost plus contracts
  - (B) Escalation clause
  - (C) De escalation clause
  - (D) All of the above
  - (E) Answer not known
140. Economic batch quantity is that size of the batch of production where
- (A) Carrying cost is minimum
  - (B) Setup cost of the machine is minimum
  - (C) Average cost is minimum
  - (D) Both (A) and (B)
  - (E) Answer not known
141. Mr. Kalpesh is a registered dealer in Kerala paying tax under composition levy from 1<sup>st</sup> April. However, he opts to pay tax under regular scheme from 1<sup>st</sup> December. In which form he has to file to opt out of composition scheme.
- (A) GSTR – 1
  - (B) GSTR – 3
  - (C) GSTR – 2
  - (D) GSTR – 4
  - (E) Answer not known

142. If a return has been filed, how can it be revised if some changes are required to be made?
- (A) Cancel invoice
  - (B) File revise return
  - (C) By amendment in future GSTR 1
  - (D) Any of the above method
  - (E) Answer not known
143. Mention the due date of submission of GSTR – 1 for the registered persons who are opting for QRMP scheme.
- (A) 11<sup>th</sup> day of the month succeeding such month
  - (B) 13<sup>th</sup> day of the month succeeding such month
  - (C) 13<sup>th</sup> day of the month succeeding such quarter
  - (D) 20<sup>th</sup> day of succeeding month
  - (E) Answer not known
144. Identify the elements used for determining the place of supply of services:
- (i) Location of service provider
  - (ii) Location of service receiver
  - (iii) Place where the activity take place
  - (iv) Place where the service is consumed
- (A) (iv) only
  - (B) (i) and (ii) only
  - (C) (i), (ii) and (iii) only
  - (D) All the above
  - (E) Answer not known

145. Modes of deposit in Electronic cash ledger.

- (i) Internet banking
- (ii) Neft/RTGS/IMPS
- (iii) Over the counter
- (iv) Cash deposit in GST office
- (A) (i) and (ii) only
- (B) (ii) only
- (C) (i), (ii) and (iii) only
- (D) All of the above
- (E) Answer not known

146. Saravana and Sons wishes to start supplying alcoholic liquor for human consumption in the state of Tamil Nadu. Therefore, it applies for licence to the Tamil Nadu Government for selling liquor for which the state Government has charged specified fee from it. Examine whether the grant of alcoholic liquor license by the TN Government to Saravana and Sons qualifies as supply.

- (A) Supply of goods
- (B) Neither supply of goods nor supply of service
- (C) Supply of service
- (D) Treat either supply of goods or service at the option of a dealer
- (E) Answer not known



147. In which of the following cases, value of supply shall be considered as open market value?
- (A) Where consideration for supply is not wholly in money
  - (B) Supply between related persons
  - (C) Supply between distinct persons
  - (D) Any of the above
  - (E) Answer not known
148. W Ltd, a registered supplier, is engaged in the manufacture of Tanks. The company provides following information pertaining to GST paid on purchases made/ITC availed during the month of Jan 2023
- Purchase of machinery (GST of Rs. 2,15,000)
- Input purchased was delivered to job worker directly (GST of Rs. 1,00,000)
- Depreciation claimed on computer purchased (GST of Rs. 5,000)
- Determine ITC available to W Ltd. if depreciation is claimed on purchase price including GST component?
- (A) 2,15,000
  - (B) 3,15,000
  - (C) 1,00,000
  - (D) 3,20,000
  - (E) Answer not known

149. Which of the following statements is correct?
- (A) GST is a destination-based taxation
  - (B) GST is an origin-based taxation
  - (C) GST is levied by both destination and originating states
  - (D) GST is levied only by originating state
  - (E) Answer not known
150. M/s A and Co is a firm of chartered accountants. The firm is engaged by B Ltd. to render internal audit services for a period of 12 months starting from April 2023. The monthly fees is fixed at Rs. 40,000 plus 18% GST. What is the nature of supply of this transaction?
- (A) Composite supply of services
  - (B) Mixed supply of services
  - (C) Exempt supply
  - (D) Continuous supply of services
  - (E) Answer not known
151. Which of the following statements is most appropriate?
- (A) Liability of taxable person can be paid by debit in electronic cash ledger
  - (B) Liability of taxable person can be paid by debit in electronic credit ledger
  - (C) Liability of taxable person can be paid by, debiting electronic cash ledger or electronic credit ledger
  - (D) Liability of taxable person can be paid by crediting the electronic cash ledger
  - (E) Answer not known

152. What is the time of supply of goods in case of tax payable under reverse charge?
- (A) Date of receipt of goods
  - (B) Date on which payment is made
  - (C) The date immediately following 30 days from the date of issue of invoice by the supplier
  - (D) Earliest of (A), (B) and (C)
  - (E) Answer not known
153. Time of supply of goods shall be
- (A) The date of issue of invoice by the supplier
  - (B) The last date on which he is required to issue the invoice with respect to the supply
  - (C) Removal of goods for supply
  - (D) (A) or (B), whichever is earlier
  - (E) Answer not known
154. In case of supply of voucher by a supplier, if the supply is identifiable at the point at which voucher is issued, what is the time of supply?
- (A) Date of issue of voucher
  - (B) Date of redemption of voucher
  - (C) Date of receipt of voucher
  - (D) Either (A) or (B)
  - (E) Answer not known

155. The term 'Input tax' under GST law does not include
- (A) Central tax
  - (B) Integrated tax
  - (C) State tax
  - (D) Tax paid under composition scheme
  - (E) Answer not known
156. Where common inputs, input services and capital goods are used for both taxable and exempt outward supply, ITC can be claimed on those items
- (A) Attributable to exempt outward supply
  - (B) Attributable to both taxable and exempt outward supply
  - (C) Attributable to taxable outward supply on proportionate basis
  - (D) Not attributable to taxable and exempt outward supply
  - (E) Answer not known
157. Which of the following is not an eligible document to claim input tax credit?
- (A) Tax invoice
  - (B) Bill of entry
  - (C) Payment voucher
  - (D) Debit/Credit note
  - (E) Answer not known
158. Which of the following supplies is not treated as zero rated supplies under IGST Act?
- (A) Export of goods (or) services
  - (B) Supplies of goods to Export Oriented Unit [EOU]
  - (C) Supplies made to SEZ units [Special Economic Zone]
  - (D) Supplies made by SEZ unit to another SEZ unit
  - (E) Answer not known

159. Mr. S [New Delhi] boards the Rajdhani express from New Delhi to Chennai at New Delhi. Mr. S sells the goods taken on board by him at New Delhi in the train, at Agra during the journey. Identify the place of supply.
- (A) New Delhi (B) Agra  
(C) Chennai (D) Gwalior  
(E) Answer not known
160. Can a person without GST registration avail ITC and collect Tax?
- (A) Yes, he can collect  
(B) No, he cannot collect and cannot avail ITC without GST registration  
(C) Yes, he can collect but cannot avail ITC  
(D) All the above  
(E) Answer not known
161. What is the primary objective of Auditing?
- (A) To detect fraud  
(B) To provide assurance on financial statements  
(C) To evaluate internal controls  
(D) To assist in tax planning  
(E) Answer not known
162. The significance of auditing in Financial Reporting primarily lies in
- (A) Detecting fraud  
(B) Enhancing creditability and reliability of financial statements  
(C) Reducing taxes  
(D) Improving operational efficiency  
(E) Answer not known

163. Which standard is applicable to the audit of financial statements in India?
- (A) International Standards on Auditing (ISA)
  - (B) Generally Accepted Auditing Standards (GAAS)
  - (C) Indian Standards on Auditing (ISA)
  - (D) US Generally Accepted Auditing Standards (GAAS)
  - (E) Answer not known
164. Which of the following best describes the nature of auditing?
- (A) A process of ensuring compliance with tax laws
  - (B) An independent examination of financial information
  - (C) A method for Internal Management Review
  - (D) A technique for enhancing Company profitability
  - (E) Answer not known
165. Which of the following situations is ideal to conduct a continuous audit?
- (A) A proper internal audit is in place
  - (B) Sufficient time is available to present the financial statements after the end of FY
  - (C) Volume of transactions is very large
  - (D) Periodic preparation of financial statements is not required (say once in a quarter)
  - (E) Answer not known

166. An audit plan is a
- (A) Document specifying the audit assignment
  - (B) Methodological approach to focus on important audit areas
  - (C) Guaranteed process to deliver audit results
  - (D) Process of identifying audit timeline
  - (E) Answer not known
167. Audit note book
- (A) Contains all details of work carried out
  - (B) Cannot be defence for auditor
  - (C) Is a record but not useful in formulating audit programme
  - (D) All the above
  - (E) Answer not known
168. Which of the following is not included in audit working paper?
- (A) Query sheets
  - (B) Signed financial statements with Audit report
  - (C) Audit observation summary
  - (D) Audit programme and staff attendance sheet
  - (E) Answer not known
169. Which of the following forms part of the current audit working file?
- (A) NOC from previous auditor
  - (B) Previous year financial statements
  - (C) Audit Review points
  - (D) Systems and data policies
  - (E) Answer not known

170. Which of the following would fall under audit evidence?
- (A) Discussion with Management
  - (B) Physical verification report of assets
  - (C) Fixed Deposit Receipt
  - (D) All of the above
  - (E) Answer not known
171. What is the primary objective of an internal check system in an organisation?
- (A) to ensure compliance with tax regulation
  - (B) to improve employee performance
  - (C) to detect and prevent errors and fraud in the accounting records
  - (D) to assist in financial statement preparation
  - (E) Answer not known
172. Which of the following is the primary objective of an internal control system?
- (A) to increase the organisation's profitability
  - (B) to ensure compliance with regulatory requirements
  - (C) to safeguard assets, ensure accurate financial reporting and promote operational efficiency
  - (D) to enhance the organisation's public image
  - (E) Answer not known



173. What is the primary purpose of an internal audit?
- (A) to prepare the company's financial statements
  - (B) to provide an independent evaluation of internal controls and operational effectiveness
  - (C) to ensure compliance with external audit requirements
  - (D) to assist in marketing the company's products
  - (E) Answer not known
174. Using the work of Internal auditor, Internal audit is a function of an entity that performs assurance and consulting activities designed to evaluate and improve the effectiveness of the entity's governance, risk management and internal control process. Under which SA (Standard on Auditing) this provision is stated
- (A) SA 610
  - (B) SA 500
  - (C) SA 520
  - (D) SA 210
  - (E) Answer not known
175. Test checking requires application of
- (A) Mathematical theory
  - (B) Sampling theory
  - (C) Geometry theory
  - (D) Stakeholder theory
  - (E) Answer not known
176. Which of the following is not a part of rural self-governance system in India?
- (A) Gram Panchayat
  - (B) Gram Parishad
  - (C) Panchayat Samiti
  - (D) Zilla Parishad
  - (E) Answer not known

177. Audit provisions relating to Co-operative societies are contained under Section \_\_\_\_\_ of the Co-operative societies Act \_\_\_\_\_

- (A) 27, 1932
- (B) 27, 1912
- (C) 17, 1932
- (D) 17, 1912
- (E) Answer not known

178. In the audit of educational institutions the following should be examined

- (I) University Act, the rules and regulations
  - (II) Trust deeds, Charters etc. to ascertain Management of the institution
  - (III) Minutes book of governing body, Board or senate of the University as the core may be
  - (IV) Irrecoverable fees should be written if by person authorised by Managing Committee
- (A) (I) and (II) only
  - (B) (I) and (III) only
  - (C) (I) and (IV) only
  - (D) all of the above
  - (E) Answer not known

179. Dividends are paid to members according to the rules and regulations of the society and Co-operative Societies Act. The rate cannot exceed \_\_\_\_\_%

- (A) 5%
- (B) 10%
- (C)  $6\frac{1}{4}\%$
- (D) 6%
- (E) Answer not known

180. A member of a Co-operative society cannot hold more than \_\_\_\_\_% of the share capital of the society.

- (A) 10% (B) 15%  
 (C) 5% (D) 20%  
 (E) Answer not known

181. The standard which is attainable under favourable conditions is

- (i) theoretical standard  
 (ii) expected standard  
 (iii) normal standard  
 (iv) basic standard  
 (A) (i) (B) (ii)  
 (C) (iii) (D) (iv)  
 (E) Answer not known

182. From the following calculate sales price variance.

Product	Standard			Actual		
	qty units	cost per unit	price per unit	qty units	cost per unit	price per unit
X	3,000	Rs. 10	Rs. 12	3,200	Rs. 11	Rs. 14
Y	2,000	Rs. 15	Rs. 18	1,600	Rs. 15	Rs. 19

- (A) Rs. 4,800 (F) (B) Rs. 8,000 (F)  
 (C) Rs. 8,000 (A) (D) Rs. 5,000 (F)  
 (E) Answer not known

183. Calculate direct labour efficiency variance from the information given below.

Standard rate per hour	Rs. 3
Actual rate per hour	Rs. 3.50
Actual output	80 units
Standard time per unit	2 hours
Actual time taken	150 hours
Idle time is	5 hours

- (A) Rs. 45 (Adverse)                      (B) Rs. 30 (Adverse)  
(C) Rs. 15 (Favourable)                  (D) Rs. 45 (Favourable)  
(E) Answer not known

184. Sales value variance is the difference between

- (A) Standard and actual sales  
(B) Budgeted and actual sales  
(C) Budgeted and standard sales  
(D) Actual and forecasted sales  
(E) Answer not known

185. Which of the following statements are true about reasons for labour rate variance.

- (1) Extra shift allowance paid to workers after normal hours of business lead to higher wages.
  - (2) More efficient and skilled workers might have been employed and therefore more payment might have been paid.
  - (3) The system of wage payment might have been constant.
  - (4) The grades of workers might have been changed.
- (A) (1), (2) and (3) only  
 (B) (2), (3) and (4) only  
 (C) (1), (2) and (4) only  
 (D) (1), (3) and (4) only  
 (E) Answer not known

186. From the below figures, compute sales volume variance.

Product	Budget			Actual		
	Qty units	Selling price Rs.	Sales Rs.	Qty units	Selling price Rs.	Sales Rs.
A	10,000	12	1,20,000	12,000	10	1,20,000
B	8,000	9	72,000	5,000	11	55,000
	18,000		1,92,000	17,000		1,75,000

- (A) Rs. 3,000 (F)  
 (B) Rs. 13,000 (A)  
 (C) Rs. 3,000 (A)  
 (D) Rs. 15,000 (A)  
 (E) Answer not known

187. Which of the following is/are correct statement/s?

- (1) If actual cost is more than the standard cost, it is unfavourable/adverse variance.
  - (2) If standard cost is more than the actual cost, it is favourable variance.
  - (3) If budgeted sales are less than the actual sales, it is favourable variance.
  - (4) If actual sales are more than budgeted sales, it is adverse variance
- (A) (1), (2) and (3) are correct
  - (B) (1), (2) and (4) are correct
  - (C) (1), (3) and (4) are correct
  - (D) (2), (3) and (4) are correct
  - (E) Answer not known

188. Budgeted quantity of sales : 2000 units

Standard price per unit : Rs. 2

Actual quantity of sales : 1,800 units

Actual price : Rs. 3 / unit

From the above, calculate standard sales?

- (A) Rs. 5,400
- (B) Rs. 3,600
- (C) Rs. 6,000
- (D) Rs. 4,000
- (E) Answer not known

189. Standard costs are

- (A) ideal costs
- (B) normal costs
- (C) average costs
- (D) reasonably attainable costs
- (E) Answer not known

190. Materials become key factor, if

- (i) quota restrictions exist
  - (ii) insufficient advertisement prevails
  - (iii) demand is low
  - (iv) there is no problem with supply of materials
- (A) (i)
  - (B) (ii)
  - (C) (iii)
  - (D) (iv)
  - (E) Answer not known

191. \_\_\_\_\_ are not assigned to the product but are recognized as expenses in the period incurred. All non-manufacturing costs are period costs.

- (i) Period cost
  - (ii) Fixed cost
  - (iii) Variable cost
  - (iv) Overhead cost
- (A) (i)
  - (B) (ii)
  - (C) (iii)
  - (D) (iv)
  - (E) Answer not known

192. Fixed cost is Rs. 30,000 and p/v ratio is 20%. Compute break-even point

- (A) Rs. 1,60,000
- (B) Rs. 1,50,000
- (C) Rs. 1,55,000
- (D) Rs. 1,45,000

- (A) (i) (B) (ii)
- (C) (iii) (D) (iv)
- (E) Answer not known

193. If p/v ratio is 40% of sales, then what does the balance of 60% represent?

- (i) Profit
- (ii) Fixed cost
- (iii) Variable cost
- (iv) Margin of safety

- (A) (i) (B) (ii)
- (C) (iii) (D) (iv)
- (E) Answer not known



194. The p/v ratio of a product is 0.6 and profit is Rs. 9,000. Margin of safety is

(i) Rs. 5,400

(ii) Rs. 15,000

(iii) Rs. 22,500

(iv) Rs. 3,600

(A) (i)

(B) (ii)

(C) (iii)

(D) (iv)

(E) Answer not known

195. If p/v ratio is 60% and marginal cost of the product is Rs. 20, calculate the selling price

(i) Rs. 12

(ii) Rs. 30

(iii) Rs. 50

(iv) Rs. 40

(A) (i)

(B) (ii)

(C) (iii)

(D) (iv)

(E) Answer not known



199. Find the expected sales (in units) when the profit to be earned is Rs. 87,500, from the following information :

Units produced = 60,000 ; Selling price per unit = Rs. 15; Variable cost per unit = Rs. 10 ; Fixed cost = Rs. 1,50,000.

- (A) 30,000 units (B) 10,000 units  
(C) 60,000 units (D) 47,500 units  
(E) Answer not known

200. Key factor is taken into consideration to judge the \_\_\_\_\_ of different products whenever there is any shortage.

- (A) sales (B) profitability  
(C) cost (D) capacity  
(E) Answer not known
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