Instructions:

1. Candidates should use blue/black ballpoint pen ONLY to fill-in all the required information in OMR Answer Sheet and this Question Paper Booklet.

2. Answer Sheet cannot be taken out from the Examination Hall by the examinees and the same is required to be properly handed over to the Invigilator/Supervisory staff on duty and acknowledgement be obtained for doing so on the Admit Card before leaving the Examination Hall.

3. Candidates are required to correctly fill-in the Question Paper Booklet Code and the Question Paper Booklet No. (as mentioned on the top of this booklet) in the OMR Answer Sheet, as the same will be taken as final for result computation. Institute shall not undertake any responsibility for making correction(s) at later stage.

4. This Question Paper Booklet contains 100 questions. All questions are compulsory and carry ONE mark each. There will be no negative marking for wrong answers.

5. Seal of this Question Paper Booklet MUST NOT be opened before the specified time of examination.

6. Immediately on opening of Question Paper Booklet, candidates should ensure that it contains 100 questions in total and none of its page is missing/misprinted. In case of any discrepancy, the booklet shall be replaced at once.

7. Each question is followed by four alternative answers marked as A, B, C and D. For answering the questions including those requiring filling-in the blank spaces, candidates shall choose one most appropriate answer to each question and mark the same in the OMR Answer Sheet by darkening the appropriate circle only in the manner as prescribed in the OMR Answer Sheet.

8. Darkening of more than one circle corresponding to any question or leaving all the circles blank or overwriting/cutting any answer(s) shall be taken as wrong answer for computation of result. Ticking/marking/writing of answer(s) in the Question Paper Booklet shall not be considered in any circumstance for award of marks. The Institute shall neither entertain any claim nor be liable to respond to any of the query in the aforesaid matter.

9. Rough work, if any, should be done only on the space provided in this Question Paper Booklet.

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(SIGNATURE OF CANDIDATE)
Space for Rough Work
1. The establishment of budgets, standard costs and actual costs of operations, processes, activities or products and the analysis of variances, profitability or the social use of funds is known as —
   (A) Costing
   (B) Cost Accounting
   (C) Cost Accountancy
   (D) Financial Accounting.

2. Under which of the following inventory control techniques, two piles or bundles are maintained for each item of stock —
   (A) Min-max plan
   (B) Order cycling system
   (C) Two-bin system
   (D) ABC analysis.

3. Costs which are constant for a given level of output and then increase by a fixed amount at a higher level of output are called —
   (A) Step costs
   (B) Differential costs
   (C) Committed costs
   (D) Opportunity costs.

4. A store ledger is a record of receipts, issues and closing balances of material by entering —
   (A) Quantity only
   (B) Quantity and value
   (C) Value only
   (D) Quality only.

5. Interest on internally generated funds is an example of —
   (A) Differential cost
   (B) Joint cost
   (C) Common cost
   (D) Imputed cost.

6. 'Contract costing' is used in which of the following —
   (A) Ship building
   (B) Textile industry
   (C) Paper manufacturing
   (D) Nursing homes.

7. Amaze Ltd. manufactures ring binders which are embossed with customer's own logo. A customer has ordered a batch of 500 binders. The following information gives the cost for a typical batch of 100 binders:

<table>
<thead>
<tr>
<th>Cost Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct material</td>
<td>₹50</td>
</tr>
<tr>
<td>Direct labour</td>
<td>₹20</td>
</tr>
<tr>
<td>Machine set-up</td>
<td>₹5</td>
</tr>
<tr>
<td>Design and art work</td>
<td>₹15</td>
</tr>
<tr>
<td>Prime cost</td>
<td>₹90</td>
</tr>
</tbody>
</table>

   Direct employees are paid on piece work basis. Amaze Ltd. absorbs production overheads @ 10% of direct wages. 5% is added to the total production cost of each batch to allow for selling and distribution expenses. Profit margin is 20% of sales value. Selling price of 500 binders will be —
   (A) ₹605
   (B) ₹120.75
   (C) ₹603.75
   (D) ₹386.

8. Which of the following formula is used to calculate wage payment under Barth's scheme —
   (A) Hourly rate × \(\sqrt{\text{standard time} \times \text{actual time}}\)
   (B) Standard rate × \(\sqrt{\text{actual time} \times \text{hourly rate}}\)
   (C) Actual rate × \(\sqrt{\text{standard time} \times \text{hourly rate}}\)
   (D) Actual rate × \(\sqrt{\text{standard output} \times \text{hourly rate}}\).
9. When the sales increase from ₹45,000 to ₹60,000, the profit increases by ₹5,000. P/V Ratio would be —
   (A) 20%
   (B) 30%
   (C) 33.33%
   (D) 66.67%.

10. The following data relates to two activity levels of production:

<table>
<thead>
<tr>
<th>Level I</th>
<th>Level II</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of units</td>
<td>4,000</td>
</tr>
<tr>
<td>Overheads (₹)</td>
<td>2,80,000</td>
</tr>
</tbody>
</table>
   | Variable cost per unit would be —
   (A) ₹46.67
   (B) ₹133.33
   (C) ₹70
   (D) ₹64.

11. A product whose direct material costs and direct labour costs are ₹200 and ₹100 would consume 3 hours, 4 hours and 5 hours in department A, B and C respectively. Overheads absorption rate is – A : ₹4.5 per hour, B : ₹5 per hour and C : ₹10.5 per hour. The total cost of the product is —
   (A) ₹486
   (B) ₹386
   (C) ₹214
   (D) ₹500.

12. Given below are the costing records of a factory:
   Cost of machine ₹1,00,000
   Scrap value ₹5,000
   Freight and installation charges ₹5,000
   Repairs and maintenance cost ₹1,000 per month
   Wages of operator ₹5,000 per month
   Estimated life 10 years

   Factory operates 2,000 hours per year.
   Power : 10 units per hour @ 50 paise per unit.
   The machine hour rate will be —
   (A) ₹27 per hour
   (B) ₹10.5 per hour
   (C) ₹56 per hour
   (D) ₹46 per hour.

13. Cost unit applicable to bicycle industry is —
   (A) Per part of bicycle
   (B) Per bicycle
   (C) Per thousand bicycles
   (D) Per day.

14. In contract costing, if the amount of work certified is 1/2 or more but not near to completion, profit to be transferred to the statement of profit and loss can be calculated using the formula —
   (A) \[ \frac{1}{2} \times \text{notional profit} \times \frac{\text{cash received}}{\text{work certified}} \]
   (B) \[ \frac{1}{3} \times \text{notional profit} \times \frac{\text{cash received}}{\text{work certified}} \]
   (C) \[ \frac{2}{3} \times \text{notional profit} \times \frac{\text{cash received}}{\text{work certified}} \]
   (D) Estimated profit \times \frac{\text{work certified}}{\text{cash received}}

15. Which of the following is not an objective of time-booking —
   (A) Apportionment of overheads against jobs
   (B) Preparation of payrolls
   (C) Ascertaining idle time for the purpose of control
   (D) Calculation of labour cost of jobs done.
16. A worker is allowed 2 hours to produce 5 units of a product. Wages are paid to the worker @ ₹20 per hour. In a 48 hours week, the worker produced 150 units. The earnings of the worker as per Rowan plan will be —
(A) ₹1,940
(B) ₹1,450
(C) ₹1,553
(D) ₹1,152.

17. Sunk costs are —
(A) Opportunity costs
(B) Costs to be incurred in future
(C) Not relevant for decision making
(D) Controllable costs.

18. Bill of material acts as an authorisation to the stores department in procuring the material and all the materials listed on the bill are sent to the —
(A) Sales department
(B) Production department
(C) Accounts department
(D) Stores department.

19. Which of the following method is based on the assumption that costliest materials are issued first and inventory is valued at the lowest possible price —
(A) FIFO method
(B) LIFO method
(C) Highest-in-first-out method
(D) Weighted average method.

20. The rate of change of labour force in an organisation during a specified period is called —
(A) Labour efficiency
(B) Labour turnover
(C) Labour productivity
(D) Labour planning.

21. Margin of safety can be calculated using the formula —
(A) Total sales – Break-even sales
(B) Fixed cost ÷ P/V ratio
(C) P/V ratio ÷ Profit
(D) Fixed cost ÷ Contribution.

22. Fixed cost is a cost —
(A) Which remains fixed for each unit of output
(B) Which remains fixed in total during a given period despite changes in output
(C) Which is partly fixed and partly variable in relation to the output
(D) Which changes in total in proportion to the changes in output.

23. For a product-X, following information is available:
Maximum consumption per week : 300 units
Normal consumption per week : 200 units
Re-order period : 2 to 4 weeks
The re-order level will be —
(A) 400 units
(B) 1,200 units
(C) 600 units
(D) 800 units.

24. A company requires 1,500 units of an item per month. The cost of each unit is ₹30. The cost of placing an order is ₹200 and the material carrying charges work out to be 20% of the average material. The economic order quantity (EOQ) is —
(A) 1,095 units
(B) 316 units
(C) 490 units
(D) 33 units.
25. A company manufactures several components in batches. The following data relates to one component:
   Annual demand : 32,000 units
   Set-up cost per batch : ₹120
   Annual rate of interest : 12%
   Cost of production per unit : ₹16
   The economic batch quantity is —
   (A) 4,000 units
   (B) 3,000 units
   (C) 2,000 units
   (D) 2,500 units.

26. A product is sold at ₹150 per unit and its variable cost is ₹70 per unit. The fixed expenses of the business are ₹8,000 per year. Break-even point (in units) is —
   (A) 200 units
   (B) 50 units
   (C) 115 units
   (D) 100 units.

27. Following information is available regarding a product—X:
   1st January, 2015:
      Opening balance : 50 units @ ₹4
   Receipts:
      5th January, 2015 : 100 units @ ₹5
      12th January, 2015 : 200 units @ ₹5.50
   Issues:
      2nd January, 2015 : 30 units
      18th January, 2015 : 170 units
   The value of closing stock according to FIFO method is —
   (A) ₹660
   (B) ₹770
   (C) ₹825
   (D) ₹1,100.

28. The budgeted fixed overheads for a budgeted production of 10,000 units is ₹20,000. For a certain period the actual production was 11,000 units and actual expenditure ₹24,000. The volume variance is —
   (A) ₹2,000(F)
   (B) ₹4,000(A)
   (C) ₹2,000(A)
   (D) ₹4,000(F).

29. A document which sets out the responsibility of the persons engaged in the routine of and the procedures, forms and records required for budgetary control is called —
   (A) Budget centre
   (B) Budget report
   (C) Budget controller
   (D) Budget manual.

30. A budget that gives a summary of all the functional budgets and budgeted statement of profit and loss is called —
   (A) Flexible budget
   (B) Master budget
   (C) Performance budget
   (D) Zero base budget.

31. A company estimates its quarter wise sales (in units) for the next year as under:
<table>
<thead>
<tr>
<th>Quarter</th>
<th>I</th>
<th>II</th>
<th>III</th>
<th>IV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (units)</td>
<td>30,000</td>
<td>37,500</td>
<td>41,250</td>
<td>45,000</td>
</tr>
</tbody>
</table>
   The opening stock of finished goods is 10,000 units and the company expects to maintain the closing stock of finished goods at 16,250 units at the end of the year. The production pattern in each quarter is based on 80% of the sales of the current quarter and 20% of the sales of the next quarter. The production for quarter IV will be —
   (A) 36,000 units
   (B) 42,000 units
   (C) 48,250 units
   (D) 38,250 units.
32. Two workmen 'X' and 'Y' produce the same product using the same material. 'X' is paid bonus according to Halsey plan, while 'Y' is paid bonus according to Rowan plan. The time allowed to manufacture the product is 100 hours. 'X' takes 60 hours and 'Y' takes 80 hours to complete the product. The normal hourly rate of wages of workman 'X' is ₹24 per hour. The total earnings of both the workmen are same. The normal hourly rate of wages of workman 'Y' will be —

(A) ₹25 per hour  
(B) ₹30 per hour  
(C) ₹20 per hour  
(D) ₹22.5 per hour.

33. Budget which remains unchanged regardless of the actual level of activity is known as —

(A) Fixed budget  
(B) Functional budget  
(C) Flexible budget  
(D) Cash budget.

34. Estimated wages for January is ₹4,000 and for February ₹4,400. If the delay in payment of wages is 1/2 month, the amount of wages to be considered in cash budget for the month of February will be —

(A) ₹4,000  
(B) ₹4,400  
(C) ₹4,600  
(D) ₹4,200.

35. Which of the following formula is used to calculate efficiency ratio —

(A) \( \frac{\text{Actual hours}}{\text{Budgeted hours}} \times 100 \)

(B) \( \frac{\text{Standard hours for actual production}}{\text{Actual hours}} \times 100 \)

(C) \( \frac{\text{Standard hours for actual production}}{\text{Budgeted hours}} \times 100 \)

(D) \( \frac{\text{Actual hours}}{\text{Standard hours for actual production}} \times 100 \).

36. Crown Ltd. has forecast its sales for the next three months as follows:

April : 12,000 units, May : 15,000 units, June : 17,000 units. Opening stock as on 1st April is expected to be 3,500 units. Closing stock should be equal to 20% of the coming month's sales needs. The number of units required to be produced in May is —

(A) 14,600 units  
(B) 11,500 units  
(C) 15,400 units  
(D) 13,600 units.

37. Profit-Volume ratio can be improved by —

(A) Increasing selling price per unit  
(B) Reducing the direct and variable costs  
(C) Switching the production to products showing higher profit-volume ratio  
(D) All of the above.
38. Which of the following is the social purpose of cost audit —
(A) Detection and correction of abnormal losses
(B) Detection of errors and frauds
(C) Determination of inventory valuation
(D) Pinpointing areas of inefficiency and mismanagement for the benefit of shareholders and consumers.

39. The net profit of a company is ₹2,00,000, preference dividend ₹25,000 and taxes paid ₹15,000. Number of equity shares is 1,00,000. The earnings per share (EPS) is —
(A) ₹1.5
(B) ₹1.6
(C) ₹2
(D) ₹1.75.

40. The current ratio of Brave Ltd. is 2 : 1, while quick ratio is 1.8 : 1. If the current liabilities are ₹40,000, the value of stock will be —
(A) ₹12,000
(B) ₹6,500
(C) ₹8,000
(D) ₹10,000.

41. In an organisation, working capital is ₹1,00,000 and current ratio 3 : 1. The value of current assets is —
(A) ₹1,50,000
(B) ₹1,00,000
(C) ₹50,000
(D) ₹15,000.

42. In contract costing, which of the following provides safeguard against any fluctuation in the prices of material, labour, etc.
(A) Pricing clause
(B) Exclusion clause
(C) Arbitration clause
(D) Escalation clause.

43. Following information is available for ABC Constructions Ltd.:
Material issued to contract ₹11,800
Wages ₹23,200
Plant installed ₹4,600
Plant at site at the end ₹3,800
Work un-certified ₹1,200
Notional loss on contract ₹1,960
Work certified will be —
(A) ₹31,480
(B) ₹31,840
(C) ₹37,480
(D) ₹31,760.

44. An outcome of a production process considered as relatively less important as compared to the main product is called —
(A) By-product
(B) Co-product
(C) Joint product
(D) Core product.

45. A transport company is running 4 buses between two cities, which are 60 Kms. apart. Seating capacity of each bus is 45 passengers. Actual passengers carried by each bus is 80% of seating capacity. All buses run on all days of the month. Each bus makes one round trip per day. Assuming 30 days in a month, the passenger Kms. are —
(A) 5,62,500
(B) 5,18,400
(C) 6,40,000
(D) 2,59,200.
46. Working capital ratio is also known as —
   (A) Quick ratio  
   (B) Debt-equity ratio  
   (C) Current ratio  
   (D) Liquid ratio.

47. Credit sales of Jump Ltd. for the year is ₹12,00,000 and debtors at the end of year ₹2,40,000. Assuming 360 days in a year, average collection period will be —
   (A) 60 Days  
   (B) 72 Days  
   (C) 180 Days  
   (D) 80 Days.

48. For the financial year ended 31st March 2015, the figures extracted from the balance sheet of Excel Ltd. are as under:
   Opening stock ₹29,000
   Closing stock ₹31,000
   Purchases ₹2,42,000.
   The stock turnover ratio will be —
   (A) 12 Times  
   (B) 15 Times  
   (C) 9 Times  
   (D) 8 Times.

49. Which of the following is a method used in analysing financial statements —
   (A) Variance analysis  
   (B) Trend analysis  
   (C) Break-even analysis  
   (D) Budget analysis.

50. In case of a financial enterprise, interest received on debentures held as investment is —
   (A) Financing activity  
   (B) Investing activity  
   (C) Operating activity  
   (D) None of the above.

51. Which of the following is not a method of segregating semi-variable costs into fixed and variable costs —
   (A) Least squares method  
   (B) High and low points method  
   (C) Standard cost method  
   (D) Comparison by level of activity method.

52. As per Accounting Standard - 3, cash equivalents include —
   (A) Treasury bills  
   (B) Commercial papers  
   (C) Money market funds  
   (D) All of the above.

53. Cash payments to and on behalf of employees is an example of cash flow from —
   (A) Operating activity  
   (B) Investing activity  
   (C) Financing activity  
   (D) None of the above.

54. The capacity variance is ₹52,000 (F), calendar variance is ₹24,064 (A). The volume variance will be —
   (A) ₹27,936 (F)  
   (B) ₹76,064 (A)  
   (C) ₹27,936 (A)  
   (D) ₹76,064 (F).
55. Net profit before working capital changes of Super Ltd. is ₹4,35,000. Changes in working capital during the year are as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>₹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease in stock</td>
<td>2,58,000</td>
</tr>
<tr>
<td>Decrease in bills payable</td>
<td>8,400</td>
</tr>
<tr>
<td>Increase in bills receivable</td>
<td>38,800</td>
</tr>
<tr>
<td>Increase in prepaid expenses</td>
<td>2,500</td>
</tr>
<tr>
<td>Increase in outstanding expenses</td>
<td>7,800</td>
</tr>
</tbody>
</table>

Cash generated from operation for Super Ltd. will be —
(A) ₹2,18,900  
(B) ₹7,45,500  
(C) ₹6,51,100  
(D) ₹2,34,500.

56. Which section of the Companies Act, 2013 deals with audit of cost accounting records —
(A) Section 158  
(B) Section 148  
(C) Section 168  
(D) Section 139.

57. Selling price of a product is ₹550 per unit, variable cost ₹50 per unit and fixed cost ₹10,000. The number of units required to be sold to earn a profit of ₹10,000 will be —
(A) 400  
(B) 40  
(C) 36  
(D) 220.

58. Make or buy decisions are made by comparing _________ cost with outside purchase price.
(A) Fixed  
(B) Variable  
(C) Sunk  
(D) Joint.

59. Selling price of a product-X is ₹50 per unit, variable cost ₹20 per unit and 2 Kgs. of raw material is needed to produce a unit of product-X. The contribution per Kg. of raw material will be —
(A) ₹30  
(B) ₹15  
(C) ₹60  
(D) ₹50.

60. Material usage variance can be calculated using the formula —
(A) (Standard quantity for actual output – Actual quantity) × Actual price  
(B) (Standard quantity for actual output – Actual quantity) × Standard price  
(C) (Standard price – Actual price) × Actual quantity  
(D) (Standard price – Actual price) × Standard quantity.

61. Which of the following does not result into inflow of funds in case of fund flow statement —
(A) Issue of equity share capital  
(B) Premium received on issue of shares/debentures  
(C) Sale of investments  
(D) Cash received from debtors.

62. When is the following entry passed in non-integrated system —
Costing Profit and Loss A/c……….Dr.
To Overheads Suspense A/c........Dr.
(A) Under absorption of overheads which is not yet adjusted  
(B) Over absorption of overheads  
(C) Overheads incurred and accrued  
(D) Allocation of indirect labour.
63. In an organisation, provision for taxation as on 31st December, 2013 was ₹16,000 and on 31st December, 2014 ₹18,000. Provision for taxation of ₹19,000 was made during the year 2014. The tax paid during the year is —
(A) ₹17,000
(B) ₹19,000
(C) ₹2,000
(D) ₹16,000.

64. Which of the following statement is not true —
(A) Fund flow statement is also known as statement of sources and application of funds
(B) Fund is equal to current assets minus current liabilities
(C) There is an inverse relationship between current assets and working capital
(D) Fund flow statement is prepared on accrual basis.

65. In a break-even chart, which of the following pair of lines make the angle of incidence —
(A) Sales line and variable cost line
(B) Sales line and total cost line
(C) Sales line and fixed cost line
(D) Fixed cost line and total cost line.

66. In an organisation, current ratio is 2.5, liquid ratio 1.5, prepaid expenses nil and stock ₹4,000. The amount of current liabilities is —
(A) ₹20,000
(B) ₹40,000
(C) ₹80,000
(D) ₹4,000.

67. A chemical is manufactured by combining two standard items Input-X (Standard price ₹60/kg) and Input-Y (₹45/kg) in the ratio 60%:40%. Ten percent of input is lost during processing. If during a month 1,200 Kgs. of chemical is produced incurring a total cost of ₹69,600, the total material cost variance will be —
(A) ₹2,000(F)
(B) ₹2,400(A)
(C) ₹2,400(F)
(D) ₹3,000(A).

68. Which of the following is an objective to be achieved through Cost Accounting Standards —
(A) To assist cost accountants in preparation of uniform cost statements
(B) To provide better guidelines on standard cost accounting practices
(C) To help Indian industry and the Government towards better cost management
(D) All of the above.

69. Following information is available regarding an organisation:
Direct material purchased : ₹1,50,000
Direct material consumed : ₹80,000
Direct labour : ₹50,000
Direct expenses : ₹30,000
Manufacturing overheads : ₹20,000
The prime cost for the organisation is —
(A) ₹1,60,000
(B) ₹2,90,000
(C) ₹2,30,000
(D) ₹1,80,000.
70. No. of workers on the payroll:
   At the beginning of the month: 600
   At the end of the month: 700
During the month, 5 workers left, 20 workers were discharged and 75 workers were recruited. Of these, 10 workers were recruited in the vacancies of those leaving while the rest were engaged for an expansion scheme. The labour turnover rate according to replacement method will be —
   (A) 1.54%
   (B) 6%
   (C) 3%
   (D) 1.82%.

71. In case of rising prices, FIFO method will provide —
   (A) Lowest value of closing stock and profit
   (B) Highest value of closing stock and profit
   (C) Highest value of closing stock but lowest value of profit
   (D) Lowest value of closing stock but highest value of profit.

72. Standard hourly rate is ₹5 per hour and actual rate ₹4.50 per hour. The labour rate variance is ₹1,500(F). The actual labour hours worked is —
   (A) 1,500 Hours
   (B) 7,500 Hours
   (C) 3,000 Hours
   (D) 6,750 Hours.

73. If the sales of a product is ₹94,080 and the profit margin on cost 12%, the amount of profit will be —
   (A) ₹7,800
   (B) ₹11,290
   (C) ₹8,580
   (D) ₹10,080.

74. If efficiency of a worker is above 100% then as per Merrick's differential piece rate system the worker will get —
   (A) Normal piece rate wages
   (B) 110% of the normal piece rate wages
   (C) 120% of the normal piece rate wages
   (D) 150% of the normal piece rate wages.

75. Normal idle time is —
   (A) Treated as part of cost of production
   (B) Not included as a part of cost of production
   (C) Charged to costing profit and loss account
   (D) Separately shown in financial statements.

76. Actual production during a month by worker-'X' is 1,000 units. If standard production per month per worker is 1,000 units and piece work rate is ₹5 per unit, the total monthly remuneration of worker 'X' under the Gantt’s Task and Bonus Scheme will be —
   (A) ₹5,000
   (B) ₹5,500
   (C) ₹6,000
   (D) ₹6,600.

77. Rent, rates and insurance of factory and office are examples of —
   (A) Direct expenses
   (B) Indirect expenses
   (C) Notional expenses
   (D) Miscellaneous expenses.
78. The following information pertains to Expert Ltd.:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Creditors</td>
<td>86,600</td>
<td>98,400</td>
</tr>
<tr>
<td>Outstanding expenses</td>
<td>85,000</td>
<td>1,15,000</td>
</tr>
<tr>
<td>Provision for tax</td>
<td>1,50,000</td>
<td>1,60,000</td>
</tr>
<tr>
<td>Debtors</td>
<td>2,68,000</td>
<td>2,54,000</td>
</tr>
<tr>
<td>Stock</td>
<td>1,40,000</td>
<td>1,75,000</td>
</tr>
</tbody>
</table>

Net profit before working capital changes is ₹5,56,000. The cash flow from operating activities will be —
(A) ₹4,26,800
(B) ₹5,76,800
(C) ₹5,35,200
(D) ₹4,16,800.

79. The following data is available for Akhil Ltd. for the year ended 31st March 2015:

Administrative overheads : ₹2,50,000
Production overheads : ₹2,74,200
Factory cost : ₹3,42,800
Work-in-progress : ₹74,000
Machine hour : 4,000 hours

The absorption rate for production overheads is —
(A) ₹68.55
(B) ₹216.75
(C) ₹235.25
(D) ₹198.25.

80. In activity based costing, an item for which cost measurement is required is called —
(A) Cost driver
(B) Cost object
(C) Allocation
(D) Cost pool.

81. Under activity based costing, 'material ordering' is considered as —
(A) Unit level activity
(B) Batch level activity
(C) Product level activity
(D) Facility level activity.

82. Which of the following items are purely financial incomes —
(A) Discount on issue of shares
(B) Interest on bank loan
(C) Transfer fees received
(D) Notional interest on capital employed.

83. The budgeted fixed overheads amounted to ₹75,000. The budgeted and actual production amounted to 15,000 units and 20,000 units respectively. This means that there will be an —
(A) Under-absorption of ₹25,000
(B) Under-absorption of ₹18,750
(C) Over-absorption of ₹25,000
(D) Over-absorption of ₹18,750.

84. In Process-A, 100 units of raw material were introduced at a cost of ₹1,000. Manufacturing wages were ₹500 and general expenses ₹102. Out of the units introduced, 10% are normally lost in the course of manufacture and they have scrap value of ₹3 each. The output of Process-A was 75 units. The value of abnormal loss in Process-A is —
(A) ₹45
(B) ₹168
(C) ₹262
(D) ₹270.

85. Which of the following is generally used as cost unit in cement industry —
(A) Per tonne
(B) Per kilolitre
(C) Per kilogram
(D) Per gallon.
86. What will be the treatment of overtime premium in cost accounting, if it is due to circumstances beyond control —
   (A) Charged to general overheads
   (B) Charged to the job directly
   (C) Charged to the concerned department
   (D) Charged to costing profit and loss account.

87. The objective of CAS-1 is —
   (A) Collection, allocation, apportionment and absorption of overheads
   (B) Determination of capacity
   (C) Preparation of cost statement
   (D) Determination of average/equalised transportation cost.

88. The costing method in which fixed factory overheads are added to inventory is —
   (A) Activity based costing
   (B) Marginal costing
   (C) Direct costing
   (D) Absorption costing.

89. Which of the following is not an objective of management accounting —
   (A) Formulation of plans and policy
   (B) Assisting in decision making
   (C) Preparation of financial statements
   (D) Interpretation of financial documents.

90. An input of 6,000 Kgs. of material is introduced into the process and the expected loss is 5%. If the actual output from the process is 4,500 Kgs., the abnormal loss is —
   (A) 2,100 Kgs.
   (B) 1,500 Kgs.
   (C) 1,200 Kgs.
   (D) 225 Kgs.

91. A company has annual fixed cost of ₹1,68,000. In the year 2013-14, sales amounted to ₹6,00,000 as compared to ₹4,50,000 in the preceding year 2012-13. The profit in the year 2013-14 was ₹42,000 more than that in year 2012-13. The break-even sales of the company is —
   (A) ₹6,00,000
   (B) ₹6,20,000
   (C) ₹5,60,000
   (D) ₹4,08,000.

92. In Rise Ltd., cash sales is 25% and credit sales 75%. Sales for November, 2014 is ₹15,00,000, December, 2014 ₹14,00,000, January, 2015 ₹16,00,000, February, 2015 ₹10,00,000 and March, 2015 ₹9,00,000. 60% of the credit sales are collected in the next month after sales, 30% in the second month and 10% in the third month. No bad debts are anticipated. The cash collected in the month of March, 2015 from debtors is —
   (A) ₹14,60,000
   (B) ₹14,20,000
   (C) ₹12,20,000
   (D) ₹9,15,000.

93. Volume variance is sub-divided into —
   (A) Efficiency variance and capacity variance
   (B) Efficiency variance, capacity variance and calendar variance
   (C) Expenditure variance and efficiency variance
   (D) Expenditure variance, capacity variance and calendar variance.
94. A factor which limits the activities of an undertaking and which is taken into account while preparing budget is known as —
(A) Budget manual  
(B) Budget controller  
(C) Budget key factor  
(D) Budget centre.

95. Which of the following methods is used to account for the under-absorption and over-absorption of overheads —
(A) Use of supplementary rates  
(B) Carrying forward of overheads  
(C) Writing-off to costing profit and loss account  
(D) All of the above.

96. According to Chartered Institute of Management Accountants (CIMA), cost attribution to cost units on the basis of benefits received from indirect activities e.g. ordering, setting-up, assuring quality is known as —
(A) Absorption costing  
(B) Marginal costing  
(C) Activity based costing  
(D) Job costing.

97. On 31st March, 2015, profit as per financial accounts was ₹50,000. A comparison of cost and financial accounts revealed the following:
Works overheads over-absorbed : ₹8,500
Excess depreciation charged in cost accounts : ₹3,000
Interest on investments included in financial accounts only : ₹2,500
From the above information, the profit as per cost accounts will be —
(A) ₹47,000  
(B) ₹36,000  
(C) ₹41,000  
(D) ₹53,000.

98. The standard hourly rate is ₹5 per hour and actual rate ₹4.50 per hour. If the labour rate variance is ₹1,500(F), the actual labour hours worked is —
(A) 1,500 hours  
(B) 7,500 hours  
(C) 3,000 hours  
(D) 6,750 hours.

99. Net works cost : ₹3,00,000
Administrative overheads : ₹1,00,000
Opening stock of finished goods : nil
Closing stock of finished goods : ₹20,000
Selling overheads : ₹10,000
From the above information, the cost of sales will be —
(A) ₹4,30,000  
(B) ₹3,90,000  
(C) ₹3,70,000  
(D) ₹4,10,000.

100. Sunny Ltd. makes product-A which sells at ₹80 per unit. Total fixed costs are ₹28,000 and marginal cost ₹42 per unit. The sales level (in units) that will provide a profit of ₹10,000 is —
(A) 1,200 Units  
(B) 1,500 Units  
(C) 1,250 Units  
(D) 1,000 Units.