

322

QUESTION PAPER BOOKLET CODE : **A**

Question Paper Booklet No.

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Roll No. :

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Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 100

Total number of printed pages : 20

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322

: 2 :

Space for Rough Work

1. From the following information of XYZ Ltd., in respect of semi-variable costs, the variable cost per unit will be :

Month	Production (in units)	Semi-variable costs (₹)
January	150	600
February	225	750
March	165	630
April	140	580
May	200	700
June	180	660

- (A) ₹ 4
(B) ₹ 3
(C) ₹ 2
(D) ₹ 1

2. You are given the following information :

	Per unit ₹
Selling Price	30
Direct Material Cost	10
Direct Labour Cost	6

Variable overhead 65% on direct labour cost, trade discount 5% and fixed cost ₹ 43,000.

What will be the profit if sales is above 25% of the break-even volume ?

- (A) ₹ 10,750
(B) ₹ 12,750
(C) ₹ 11,000
(D) ₹ 27,000

3. Which of the followings is *not* true ?

(A) $P/V \text{ Ratio} = \frac{\text{Marginal Contribution}}{\text{Sales}}$

(B) $\text{Margin of safety} = \frac{\text{Profit}}{P/V \text{ Ratio}}$

(C) $P/V \text{ Ratio} = 1 - \frac{\text{Variable Cost}}{\text{Sales Value}}$

(D) $\text{Break-even point (in ₹)} = \frac{\text{Fixed Cost}}{\text{Contribution per Unit}}$

4. Which of the followings is not an application of Marginal Costing ?

- (A) Maintaining adequate stock
(B) Make or buy decision-making
(C) Offering quotations
(D) Solving problem of key factor

5. **Statement I :**

Although the Law of supply and demand to a great extent determine the price of an article, cost to the producer plays an important role.

Statement II :

Adequate costing records do not provide a reliable basis for making estimates and quoting tenders.

- (A) Both statements are correct
(B) Both statements are incorrect
(C) Statement I is incorrect but Statement II is correct
(D) Statement II is incorrect but Statement I is correct

6. These costs are incurred to maintain certain facilities and cannot be quickly eliminated. The management has little or no discretion in these costs. These costs are termed as :
- (A) Policy and Managed Costs
 (B) Committed Costs
 (C) Discretionary Costs
 (D) Step Costs
7. is not included in tools and techniques of Management Accounting.
- (A) Financial Planning
 (B) Financial Statement Analysis
 (C) Statutory Audit
 (D) Decision-making
8. 'Cost which can be influenced by its budget holder' is known as :
- (A) Non-controllable Cost
 (B) Controllable Cost
 (C) Opportunity Cost
 (D) Traceable Cost
9. For paper manufacturing industry which method of costing shall be used :
- (A) Single-output costing
 (B) Batch costing
 (C) Process costing
 (D) Composite costing
10. Match the following Cost Accounting Standards with titles :
- | CAS | Title |
|------------|------------------------|
| (a) CAS 6 | (1) Direct Expenses |
| (b) CAS 10 | (2) Manufacturing Cost |
| (c) CAS 19 | (3) Material Cost |
| (d) CAS 22 | (4) Joint Costs |
- Codes :**
- | | (a) | (b) | (c) | (d) |
|-----|-----|-----|-----|-----|
| (A) | (3) | (2) | (1) | (4) |
| (B) | (4) | (3) | (1) | (2) |
| (C) | (3) | (1) | (4) | (2) |
| (D) | (1) | (2) | (3) | (4) |
11. Cost Accounting is mostly in its approach.
- (A) Historical
 (B) Futuristic
 (C) Static
 (D) Dynamic
12. What will be the total wages of A, a worker, as per Barth's scheme for the following data ?
- Time Allowed : 9 Hours
 Time Taken : 6.25 Hours
 Time Saved : 2.75 Hours
 Hourly Rate : ₹ 25 per hour
- (A) ₹ 225
 (B) ₹ 190.63
 (C) ₹ 187.50
 (D) ₹ 204.00

13. In which of the following situations, 'Time Rate System' is most suitable ?
- (A) The quality of work is more important.
 (B) The work is of standard or repetitive nature.
 (C) There is uninterrupted flow of work
 (D) It is necessary for the employer to get maximum production.
14. Cost of training is an example for :
- (A) Preventive Cost
 (B) Replacement Cost
 (C) Direct Cost
 (D) Qualitative Cost
15. Which of the followings is not a characteristic of Taylor's differential piece rate system ?
- (A) Time and motion studies are done
 (B) The standard output is determined
 (C) Wages are calculated on the basis of two widely different piece rates
 (D) Minimum wage is guaranteed
16. A worker in PQR Ltd., is paid a guaranteed wages of ₹ 60 per hour. The standard time per unit for a particular product is 4 hours. X, a machine man, has been paid wages under the Rowan incentive plan and he had earned an effective hourly rate of ₹ 75 on the manufacture of that particular product. Had he been put on Halsey incentive scheme, his effective hourly rate would be :
- (A) ₹ 67.50
 (B) ₹ 52.50
 (C) ₹ 70.00
 (D) ₹ 65.00
17. Which of the followings is not an idle time arising due to administrative causes ?
- (A) Poor planning
 (B) Improper Instructions
 (C) Unutilized capacity due to management decisions
 (D) Waiting for instructions
18. Which Premium Bonus Plan has the following features ?
- (a) Time wages are guaranteed
 (b) The standard time is set in terms of standard man minutes called 'manits'
 (c) Bonus is given for the time saved
- (A) Barth's Scheme
 (B) Hayne's Scheme
 (C) Bedaux Point System
 (D) Diemer Scheme
19. The following data are given :
- | | |
|-------------------|----------|
| Direct Material | ₹ 40,000 |
| Indirect Material | ₹ 20,000 |
| Direct Labour | ₹ 24,000 |
| Indirect Labour | ₹ 18,000 |
| Direct Expenses | ₹ 14,000 |
| Indirect Expenses | ₹ 10,000 |
| Carriage Inwards | ₹ 4,000 |
| Carriage Outwards | ₹ 5,000 |
- Prime Cost is :
- (A) ₹ 1,31,000
 (B) ₹ 83,000
 (C) ₹ 82,000
 (D) ₹ 1,26,000
20. Which of the following items is not included in cost sheet ?
- (A) Octroi Duty
 (B) Indirect Expenses
 (C) Trade discount on Materials
 (D) Interest Paid

21. You are given the following data related to Job No. 555 :

Direct Materials ₹ 3,600

Direct Wages for 90 hours @ ₹ 4

Variable overhead incurred for all jobs ₹ 9,000 for 4,500 hours.

If 25% profit on selling price is expected, the selling price is :

- (A) ₹ 4,140
- (B) ₹ 5,175
- (C) ₹ 5,520
- (D) ₹ 4,968

22. **Assertion (A) :**

Batch costing is used for calculating total cost of each batch.

Reason (R) :

It is used in industries where output is done for a batch of customers.

Codes :

- (A) A is false but R is true
- (B) A is true but R is false
- (C) Both A & R are true but R is not the correct explanation of A
- (D) Both A & R are true and R is the correct explanation of A

23. You are given the following information :

Contract Price ₹ 75,00,000

Cumulative figures :

- (i) To end of previous period — profit recognized ₹ 12,25,000
- (ii) To end of current period — total costs ₹ 41,50,000
- (iii) Cost of work certified ₹ 54,00,000
- (iv) Estimated future costs to completion ₹ 7,25,000
- (v) Estimated rectification costs 15% of contract price

The profit/loss to be recognized as per AS 7 in the current period is :

- (A) Profit ₹ 21,00,000
- (B) Profit ₹ 3,00,000
- (C) Profit ₹ 1,25,000
- (D) Loss ₹ 2,75,000

24. Which are not the features of Process Costing ?

- (i) The production is continuous
- (ii) The product is not homogeneous
- (iii) The process is standardized
- (iv) The output of each process is transferred to finished stock account

- (A) (i)
- (B) (ii) and (iv)
- (C) (i) and (iii)
- (D) (ii), (iii) and (iv)

: 7 :

25. The following information is available in respect of Process Z :

Units introduced	5,000 units	₹ 50,000
Material received from store		₹ 24,000
Direct Labour		₹ 16,000
Overheads		₹ 6,000
Output of Process Z	4,800 units	
Normal wastage	5% of units introduced	
Scrap value of wastage		₹ 4 per unit

The value of Abnormal Gain is :

- (A) ₹ 1,000
- (B) ₹ 404.21
- (C) ₹ 395.83
- (D) ₹ 400.84

26. Gasoline, diesel, paraffin and asphalt which are obtained from Crude Oil are :

- (A) Joint Products
- (B) Co-Products
- (C) By-Products
- (D) Unique Products

27. is also known as De nova budgeting.

- (A) Performance Budgeting
- (B) Cash Basis Budgeting
- (C) Zero Base Budgeting
- (D) Programme Budgeting

28. Rajesh Ltd., produces and sells a single product. Sales budget for the current year (quarterwise) is as follows :

Quarter	Units to be Sold
I	24,000
II	30,000
III	33,000
IV	36,000

The year is expected to be opened with an inventory of 8,000 units of finished product and closed with an inventory of 13,000 units of finished product.

Production is customarily scheduled to provide for two-thirds of the current quarter's sales demand plus one-third of the immediately following quarter's demand.

The required production for Quarter IV would be :

- (A) 32,000 units
- (B) 37,000 units
- (C) 33,000 units
- (D) 35,000 units

29. A retail store makes 30% of its sales for cash and the remainder on credit. Due to faulty credit collection practice, there have been losses from bad debts to the extent of 2% credit sales on an average in the past.

It is experienced that normally 50% of credit sales are collected in the month following the sale, 30% in the second following month and 18% in the third following month.

Sales in the preceding three months have been — January 2019 ₹ 4,00,000, February ₹ 5,00,000 and March ₹ 7,00,000. Sales for the next three months are estimated as April ₹ 7,50,000, May ₹ 5,50,000 and June ₹ 5,00,000.

The cash receipt from credit sales in the month of June would be :

- (A) ₹ 5,15,300
- (B) ₹ 4,76,400
- (C) ₹ 4,38,200
- (D) ₹ 5,88,200

30. You are given the following semi-variable overheads of a company at 60% level of activity :

	₹
Electricity (40% Fixed)	40,000
Repairs (80% Variable)	6,000
Total	46,000

The total estimated semi-variable overhead at 70% level of activity would be :

- (A) ₹ 53,300
- (B) ₹ 57,600
- (C) ₹ 50,800
- (D) ₹ 61,000

31. From the following data, Raw Materials Purchase Budget for January 2020 will be :

Estimated Stock on Jan. 1	46,000 units
Estimated Stock on Jan. 31	50,000 units
Estimated Consumption	1,50,000 units
Standard Price per unit	₹ 2.50

- (A) ₹ 3,75,000
- (B) ₹ 3,85,000
- (C) ₹ 6,15,000
- (D) ₹ 3,65,000

32. Material Y is used to produce a toy. It is budgeted that each toy will require 4 kgs of material @ ₹ 9 per kg. During a month 1,000 pieces of toys were produced using 4,200 kgs of material purchased at ₹ 50,400.

The material price variance is :

- (A) ₹ 12,600 (A)
- (B) ₹ 15,000 (A)
- (C) ₹ 12,600 (F)
- (D) ₹ 12,000 (A)

33. You are given the following data :

	Standard	Actual
Material P	7 kg @ ₹ 3	880 kg @ ₹ 3.10
Material Q	3 kg @ ₹ 5	320 kg @ ₹ 4.90

The material mix variance would be :

- (A) ₹ 120 (A)
- (B) ₹ 320 (F)
- (C) ₹ 80 (F)
- (D) ₹ 80 (A)

34. Following data are given :

- (i) Gross Direct Wages ₹ 15,000
- (ii) Standard hours produced = 7600
- (iii) Standard Rate per hour = ₹ 2.10
- (iv) Actual hours paid @ ₹ 2.40 are 7500, out of which hours not worked (abnormal idle time) are 75 hours.

Labour efficiency variance is :

- (A) ₹ 240 (A)
- (B) ₹ 210 (F)
- (C) ₹ 367.50 (F)
- (D) ₹ 420 (F)

35. The records of a manufacturing company reveals the following information :

Budgeted production for Dec. : 400 units

Budgeted variable overhead : ₹ 8,000

Standard time for one unit : 25 hours

Actual production for Dec. : 300 units

Actual hours worked : 7600 hours

Actual variable overhead : ₹ 6,840

Variable Overhead Expenditure Variance is :

- (A) ₹ 760 (A)
- (B) ₹ 840 (A)
- (C) ₹ 1,600 (A)
- (D) ₹ 1,160 (F)

36. You are given the following data :

Standard fixed overhead rate per hour ₹ 5

Actual fixed cost ₹ 1,00,000

Standard production 19,000 units

Actual production 20,000 units

What will be the Fixed Overhead Efficiency Variance ?

- (A) ₹ 5,000 (A)
- (B) ₹ 5,000 (F)
- (C) ₹ 10,000 (A)
- (D) ₹ NIL

37. Which of the followings is not a cause of 'Material Usage Variance' ?

- (A) Lack of due care in the use of materials
- (B) Defective production necessitating additional materials for correction
- (C) Abnormal wastage due to pilferage
- (D) Purchase of material in Economic Order Quantity

38. You are given the following information of a company regarding material S :

Material	% in total units	% in total cost
S	5%	40%

This material will be classified in ABC analysis of inventory control as :

- (A) A item
- (B) B item
- (C) C item
- (D) Z item

39. Raja manufacturing company requires 2000 units of raw material per month. The ordering cost is ₹ 25 per order. The carrying cost, in addition to ₹ 3 per unit, also estimated to be 10% of the average inventory cost per unit per year. The purchase price of the raw material is ₹ 20 per unit.

The Economic Order Quantity is :

- (A) 141.42 units
- (B) 489.90 units
- (C) 632.46 units
- (D) 774.60 units

40. You are given the following information in respect of Material Y :

Re-order Quantity : 360 units

Re-order Period : 3 to 5 weeks

Maximum Consumption : 90 units per week

Normal Consumption : 60 units per week

Minimum Consumption : 30 units per week

The maximum stock level would be :

- (A) 810 units
- (B) 720 units
- (C) 690 units
- (D) 960 units

41. Which of the following is not an objective of store-keeping ?

- (A) To protect stores against losses
- (B) To provide maximum service at minimum cost
- (C) To facilitate perpetual inventory
- (D) To supply inventory at lower price

42. 'Standard Price Method' of pricing material issues is :

- (A) A Cost Price Method
- (B) An Average Price Method
- (C) A Notional Price Method
- (D) A Market Price Method

43. **Statement 1 :**

Financial statements are always expressed in monetary terms.

Statement 2 :

Financial statements are exact final reports of the financial gain or loss and those can never be interim.

Select the correct answer from the following :

- (A) Both statements are correct
- (B) Both statements are incorrect
- (C) Statement 1 is correct but Statement 2 is incorrect
- (D) Statement 2 is correct but Statement 1 is incorrect

44. You are given the following information by P Company :

	₹
Cash	12,00,000
Debtors	3,00,000
Stock	4,00,000
Prepaid Expenses	50,000
Creditors	2,00,000
Bills Payable	50,000

Acid-test ratio is :

- (A) 6.2 times
- (B) 7.8 times
- (C) 7.6 times
- (D) 6 times

45. Vertical analysis of financial statements is also known as :

- (A) Internal Analysis
- (B) External Analysis
- (C) Static Analysis
- (D) Dynamic Analysis

46. The analysis of financial statements by a shareholder is an example for :

- (A) Internal Analysis
- (B) External Analysis
- (C) Horizontal Analysis
- (D) Vertical Analysis

47. Raman company has issued 13% debentures for ₹ 10,00,000 in cash at par.

The impact of this item :

- (A) Increase in current assets and working capital
- (B) Increase in current liabilities and working capital
- (C) Increase in current assets but no increase in working capital
- (D) Decrease in current assets and working capital

48. RST company produces a single product M which passes through three production departments : manufacturing, grinding and finishing. Following details are given :

	Direct Wages	Factory Overheads
	(₹)	(₹)
Manufacturing Dept.	1,00,000	60,000
Grinding Dept.	4,00,000	6,00,000
Finishing Dept.	60,000	68,000

The blanket overhead rate (based upon direct wages) would be :

- (A) 60%
- (B) 150%
- (C) 113.33%
- (D) 130%

49. There are two machines X and Y in production department. The combined insurance and depreciation of these machines is ₹ 40,000.

Following details are further given :

	X	Y
Capital value (₹)	3,00,000	2,00,000
Light points	25	15
Number of workers	20,000	20,000
Horse power	30	10

The amount of insurance and depreciation apportioned to Machine Y is :

- (A) ₹ 16,000
- (B) ₹ 15,000
- (C) ₹ 20,000
- (D) ₹ 10,000

50. Which is not a method for secondary distribution of overheads ?

- (A) Ability to pay method
- (B) Incentive method
- (C) General use of indices method
- (D) Trial and error method

51. Match the following :

- | | |
|---------------------------------|-------------------------|
| (P) Maintenance department | (1) Area |
| (Q) Welfare department | (2) Value of Materials |
| (R) Stores-keeping department | (3) Number of Employees |
| (S) Building service department | (4) Hours Worked |

- | | (P) | (Q) | (R) | (S) |
|-----|-----|-----|-----|-----|
| (A) | (1) | (2) | (3) | (4) |
| (B) | (4) | (1) | (2) | (3) |
| (C) | (4) | (3) | (2) | (1) |
| (D) | (2) | (3) | (4) | (1) |

52. If cost of machine is ₹ 1,00,000, installation charges ₹ 5,000, scrap ₹ 3,000 and life of machine is 50,000 hours, then depreciation per hour would be :

- (A) ₹ 2.00
- (B) ₹ 2.04
- (C) ₹ 1.96
- (D) ₹ 1.94

53. You are given the following data :

Cost of machine ₹ 8,40,000

Estimated scrap value ₹ 40,000

Effective working hours 40,000

Hours worked during 4 weeks 300

Weekly repairs payment ₹ 500

Standing charges for 4 weekly period :
₹ 4,000

Power consumed by machine : 10 units per
hour @ ₹ 1.50 per unit

Machine hour rate will be :

(A) ₹ 40.00

(B) ₹ 41.50

(C) ₹ 42.00

(D) ₹ 55

54. Which section of the Companies Act, 2013, deals with audit of 'Cost Accounting Records' ?

(A) Section 139

(B) Section 158

(C) Section 159

(D) Section 148

55. Which of the following is not the purpose of Cost Audit ?

(A) Verification of Cost Accounts

(B) Facilitating the fixation of price of goods and services

(C) Promoting corporate governance through various operational disclosures

(D) Inculcation of law and order consciousness

56. The requirement of Cost Audit is applicable to which of the following category of companies :

(A) Whose revenue from exports, in foreign exchange, exceeds 75% of its total revenue.

(B) Which is operating from a special economic zone.

(C) Which is engaged in production of defence items.

(D) Which is engaged in the generation of electricity for captive consumption through captive generating plant.

57. The filling of a casual vacancy in the office of a cost auditor shall be informed by the company to the Central Government in :

(A) Form CRA-1

(B) Form CRA-2

(C) Form CRA-3

(D) Form CRA-4

65. The loss of interest and dividend that would be earned otherwise from an amount invested in plant and machinery is :
- (A) Imputed Cost
(B) Opportunity Cost
(C) Controllable Cost
(D) Out of Pocket Cost
66. The technique where standardized principles and methods of cost accounting are employed by a number of different companies and firms is :
- (A) Standard Costing
(B) Uniform Costing
(C) Single Costing
(D) Absorption Costing
67. The use of LIFO system is suitable :
- (A) At falling prices of materials
(B) At constant prices of materials
(C) At rising prices of materials
(D) In all the above situations
68. The personnel department of Zenith Ltd., has computed its labour turnover rates for the quarter ending 31st December, 2018 as 8%, 12% and 16% respectively under 'Separation method', 'Replacement method' and 'Flux method'. If the number of workers replaced during the quarter is 108, find the number of workers who left and discharged :
- (A) 72
(B) 108
(C) 144
(D) 128
69. The incentive scheme is a combination of Halsey's and Gantt's scheme. A straight line increasing incentive is given in it beyond 100% efficiency. The scheme is :
- (A) Hayne's Scheme
(B) Diemer Scheme
(C) Scanlon Plan
(D) Rucker's Plan
70. In Activity Based Costing (ABC), the item for which measurement of cost is required is termed as :
- (A) Cost driver
(B) Cost object
(C) Cost pool
(D) Cost unit
71. Which of the following items is not included in Cost Accounts ?
- (A) Goodwill written off
(B) Interest on debentures
(C) Tax paid
(D) All of the above
72. You are given the following data :
- | | |
|---------------|-------------|
| Sales | ₹ 40,00,000 |
| Variable Cost | ₹ 24,00,000 |
| Net Profit | ₹ 4,00,000 |
- Break-even point in this case would be :
- (A) ₹ 10,00,000
(B) ₹ 30,00,000
(C) ₹ 12,00,000
(D) None of the above

73. The following data are given :

Sales ₹ 15,00,000

Fixed Cost ₹ 4,00,000

P/V Ratio 40%

The Profit is :

(A) ₹ 3,00,000

(B) ₹ 1,50,000

(C) ₹ 2,00,000

(D) ₹ 3,20,000

74. In a concern, sales increased from ₹ 4,00,000 to ₹ 8,00,000 and corresponding profit from ₹ 2,00,000 to ₹ 3,00,000, then P/V ratio is :

(A) 50%

(B) 25%

(C) 37.5%

(D) None of the above

75. Following data are given :

Fixed Cost ₹ 7,50,000

Margin of Safety ₹ 10,00,000

Profit ₹ 3,00,000

Break-even point would be :

(A) ₹ 22,50,000

(B) ₹ 25,00,000

(C) ₹ 10,50,000

(D) ₹ 13,50,000

76. Debt Service Ratio from the following data will be :

Interest charges ₹ 6,50,000

Net Profit ₹ 15,00,000 after charging :

Interest ₹ 3,00,000

Salary ₹ 2,40,000

Rent ₹ 60,000

Taxes ₹ 2,00,000

(A) 3.08 times

(B) 2.31 times

(C) 2.77 times

(D) 3.54 times

77. Which one of the following is not treated as cash equivalent ?

(A) Treasury Bill

(B) Public Deposit

(C) Certificate of Deposit

(D) Commercial Paper

78. Cash flows from sale of fixed assets is treated as :

(A) Cash flow from operating activities

(B) Cash flow from investing activities

(C) Cash flow from financing activities

(D) Cash flow from sales activities

79. Opening debtors ₹ 1,00,000, Closing debtors ₹ 2,00,000 and Net profit ₹ 5,00,000. Then cash flow from operations would be :
- (A) ₹ 6,00,000
(B) ₹ 4,00,000
(C) ₹ 8,00,000
(D) ₹ 3,00,000
80. "Higher the ratio, the more favourable it is." This presumption does not apply to :
- (A) Operating ratio
(B) Stock turnover ratio
(C) Gross profit ratio
(D) Net profit ratio
81. Which of the following would not cause either an under or over absorption of overhead ?
- (A) Actual direct labour time per unit being greater than budgeted
(B) Actual cost of direct labour being greater than budgeted
(C) Actual overhead incurred being less than budgeted
(D) The number of units produced being greater than budgeted
82. Break-even chart is prepared by assuming that :
- (A) There is no opening stock
(B) There is no closing stock
(C) There is no change in operating efficiency
(D) All of the above
83. If fixed cost decreases while variable cost per unit remains constant, the new B.E.P. in relation to the old B.E.P. will be :
- (A) Lower
(B) Higher
(C) Unchanged
(D) Indeterminate
84. From the following information, determine by how much amount the sales must be increased to attain break-even :
- | | |
|----------------|------------|
| Net Sales | ₹ 4,00,000 |
| Fixed Costs | ₹ 2,00,000 |
| Variable Costs | ₹ 2,40,000 |
- (A) ₹ 40,000
(B) ₹ 1,00,000
(C) ₹ 5,00,000
(D) ₹ 60,000
85. In absorption costing emphasis is given on :
- (A) Production
(B) Sales
(C) Profit
(D) Production and Sales
86. In standard costing standards are established in respect of :
- (A) Quantities
(B) Qualities
(C) Costs
(D) Quantities and Qualities

87. are more realistic standards.
- (A) Attainable Standards
(B) Current Standards
(C) Normal Standards
(D) Ideal Standards
88. The standard material required to produce one unit of product Z is 5 kgs and the standard price per kg of material is ₹ 30. The Cost Accounts show that 16,000 kgs of material were used for producing 3,000 units. If the material cost variance is ₹ 70,000 unfavourable, the actual price per kg of material is :
- (A) ₹ 27.50
(B) ₹ 29.33
(C) ₹ 32.50
(D) ₹ 34.67
89. is attainable under standard conditions.
- (A) Basic Budget
(B) Current Budget
(C) Zero Base Budget
(D) Fixed Budget
90. The attribute consistency, which should be possessed by the financial statements prepared by an enterprise, has a direct bearing upon the other attribute namely :
- (A) Comparability
(B) Authenticity
(C) Promptness
(D) Relevance
91. In a contract for a consideration of ₹ 50 lakh commenced on 1-4-2017, cash received on 31-3-2018 was ₹ 18 lakhs (90% of work certified). Work completed but not certified was ₹ one lakh. If notional profit calculated as on 31-3-2018 was ₹ 2,43,000, the amount of work-in-progress shown in the balance sheet prepared as on that date shall be :
- (A) ₹ 29,900
(B) ₹ 1,29,900
(C) ₹ 2,29,900
(D) ₹ 1,70,100
92. If Orange Ltd.'s current ratio is 5.5 : 1, Quick ratio is 4 : 1 and Inventory is ₹ 24,000, its current liabilities are :
- (A) ₹ 8,000
(B) ₹ 16,000
(C) ₹ 30,000
(D) ₹ 32,000
93. Market price of a share having a face value of ₹ 10 is ₹ 40. The profits available for equity shareholders are ₹ 2,00,000. If the paid-up share capital of the company is ₹ 5,00,000, the Earning Yield Ratio is :
- (A) 8%
(B) 10%
(C) 40%
(D) 25%

94. Which of the following will result into flow of funds ?
- (A) Purchase of fixed assets on credit
 (B) Purchase of fixed assets in exchange of shares
 (C) Purchase of fixed assets in exchange of old fixed assets
 (D) None of the above
95. Management reporting is the instrument for :
- (A) Planning and control
 (B) Control and decision-making
 (C) Planning and decision-making
 (D) Planning and organising
96. While apportioning total process costs upto the point of separation over the joint products, is considered to be the more equitable than other methods.
- (A) Physical unit method
 (B) Average unit cost method
 (C) Survey method
 (D) Net realisable value method
97. A transport service company incurred a total operating cost of ₹ 1,40,500 in June, 2019 to operate five buses between two places which are 50 kms apart. Each bus is having a seating capacity of 50 passengers and all buses run on all days with one round trip only. If the operating cost per passenger km, is ₹ 0.25, then the capacity occupied in each bus is :
- (A) 60%
 (B) 75%
 (C) 80%
 (D) 100%
98. Besides the management, and are also benefitted in many ways by installing a good cost accounting system in an organisation.
- (A) Shareholders and Creditors
 (B) Creditors and Employees
 (C) Employees and Customers
 (D) Customers and Government
99. In the contractee has the right to conduct cost audit to ensure that he is not being cheated by the contractor.
- (A) Sub-contract
 (B) Cost plus contract
 (C) Contract with escalation clause
 (D) Government contract
100. The Balance Sheet of a company shows an opening balance of ₹ 1,80,000 and ₹ 60,000 respectively in Plant A/c and Provision for Depreciation on Plant A/c. The closing balances of these accounts are ₹ 2,88,000 and ₹ 66,000 respectively. An old plant costing ₹ 36,000 with an accumulated depreciation of ₹ 24,000 was sold at a profit of ₹ 600. The amount of cash outflow from plant was :
- (A) ₹ 1,44,000
 (B) ₹ 1,24,000
 (C) ₹ 1,24,600
 (D) ₹ 1,36,400

322

: 20 :

Space for Rough Work