

National Testing Agency

Question Paper Name :	Fundamentals of Business and Accounting for Managers 29th Sep 2020 Shift 1
Subject Name :	Fundamentals of Business and Accounting for Managers
Creation Date :	2020-09-29 13:08:30
Duration :	180
Number of Questions :	100
Total Marks :	100
Display Marks:	Yes

Fundamentals of Business and Accounting for Managers

Group Number :	1
Group Id :	899514108
Group Maximum Duration :	0
Group Minimum Duration :	120
Show Attended Group? :	No
Edit Attended Group? :	No
Break time :	0
Group Marks :	100
Is this Group for Examiner? :	No

Fundamentals of Business and Accounting for Managers

Section Id :	899514136
Section Number :	1
Section type :	Online
Mandatory or Optional :	Mandatory
Number of Questions :	100

Number of Questions to be attempted :	100
Section Marks :	100
Mark As Answered Required? :	Yes
Sub-Section Number :	1
Sub-Section Id :	899514168
Question Shuffling Allowed :	Yes

Question Number : 1 Question Id : 8995149477 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No
Correct Marks : 1 Wrong Marks : 0

Out of four points which is not an economic activity?

- A. Production
- B. Social service
- C. Professional
- D. Trading in goods

Options :

89951437258. 1
89951437259. 2
89951437260. 3
89951437261. 4

Question Number : 2 Question Id : 8995149478 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No
Correct Marks : 1 Wrong Marks : 0

Which option is not a business activity?

- A. Production of goods
- B. Transportation
- C. Exchange of goods
- D. Work in a factory for wages

Options :

89951437262. 1

89951437263. 2

89951437264. 3

89951437265. 4

Question Number : 3 Question Id : 8995149479 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is the characteristic of a business?

- A. Production
- B. Exchange or sale
- C. Risk element
- D. All the above

Options :

89951437266. 1

89951437267. 2

89951437268. 3

89951437269. 4

Question Number : 4 Question Id : 8995149480 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Oil refinery and sugar mill are classified under which industries?

- A. Primary
- B. Secondary
- C. Tertiary
- D. None of the above

Options :

89951437270. 1

89951437271. 2

89951437272. 3

89951437273. 4

Question Number : 5 Question Id : 8995149481 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Identify the activity which does not support trade?

- A. Banking
- B. Warehousing
- C. Insurance
- D. Mining

Options :

89951437274. 1

89951437275. 2

89951437276. 3

89951437277. 4

Question Number : 6 Question Id : 8995149482 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

In which occupation people get salary or wages in return for their work?

- A. Employment
- B. Business
- C. Profession
- D. None of the above

Options :

89951437278. 1

89951437279. 2

89951437280. 3

89951437281. 4

Question Number : 7 Question Id : 8995149483 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which item does not cause any business risk?

- A. Breakdown of machinery
- B. Efficient management
- C. Riot
- D. Changing government policy

Options :

89951437282. 1

89951437283. 2

89951437284. 3

89951437285. 4

Question Number : 8 Question Id : 8995149484 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

In which business, the support service activities are categorized?

- A. Commercial industries
- B. Primary industries
- C. Secondary industries
- D. Tertiary industries

Options :

89951437286. 1

89951437287. 2

89951437288. 3

89951437289. 4

Question Number : 9 Question Id : 8995149485 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

In business, why it is essential to make a profit?

- A. It provides a return to investors.
- B. It provides funds for future extension
- C. It increases the reputation of a company
- D. All the above

Options :

89951437290. 1

89951437291. 2

89951437292. 3

89951437293. 4

Question Number : 10 Question Id : 8995149486 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is a false statement?

- A. The scope of commerce is narrower than business.
- B. Commerce includes trade and auxiliaries to trade.
- C. Foreign trade is purchase and sale by the traders of the same country.
- D. Traders serve as a link between producers and consumers.

Options :

89951437294. 1

89951437295. 2

89951437296. 3

89951437297. 4

Question Number : 11 Question Id : 8995149487 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is not a management function.

- A. Planning
- B. Staffing
- C. Cooperating
- D. Controlling

Options :

89951437298. 1

89951437299. 2

89951437300. 3

89951437301. 4

Question Number : 12 Question Id : 8995149488 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Policy formulation comes under which role?

- A. Top-level managers
- B. Middle-level managers
- C. Operational management
- D. All of the above

Options :

89951437302. 1

89951437303. 2

89951437304. 3

89951437305. 4

Question Number : 13 Question Id : 8995149489 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

Management is defined as?

- A. An art
- B. A science
- C. Both art and science
- D. None of the above

Options :

89951437306. 1

89951437307. 2

89951437308. 3

89951437309. 4

Question Number : 14 Question Id : 8995149490 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

Which of the below-mentioned item does not follow the scalar chain?

- A. Functional structure
- B. Divisional structure
- C. Formal organization
- D. Informal organization

Options :

89951437310. 1

89951437311. 2

89951437312. 3

89951437313. 4

Question Number : 15 Question Id : 8995149491 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

What is Centralisation?

- A. Retention of decision-making authority
- B. Dispersal of decision-making authority
- C. Creating division as a profit centre
- D. Opening the new centre of braches

Options :

89951437314. 1

89951437315. 2

89951437316. 3

89951437317. 4

Question Number : 16 Question Id : 8995149492 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

To have an effective delegation is important to have a responsibility along with?

- A. Authority
- B. Manpower
- C. Incentives
- D. Promotion

Options :

89951437318. 1
89951437319. 2
89951437320. 3
89951437321. 4

**Question Number : 17 Question Id : 8995149493 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No
Correct Marks : 1 Wrong Marks : 0**

Grouping of activities on the basis product lines is a part of.

- A. Delegated organization
- B. Divisional organization
- C. Functional organization
- D. Autonomous organization

Options :

89951437322. 1
89951437323. 2
89951437324. 3
89951437325. 4

**Question Number : 18 Question Id : 8995149494 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No
Correct Marks : 1 Wrong Marks : 0**

Policy formulation is a task of?

- A. Top-level managers
- B. Middle-level managers
- C. Operational management
- D. All of the above

Options :

89951437326. 1

89951437327. 2

89951437328. 3

89951437329. 4

Question Number : 19 Question Id : 8995149495 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the element is not a part of the communication process?

- A. Decoding
- B. Communication
- C. Channel
- D. Receiver.

Options :

89951437330. 1

89951437331. 2

89951437332. 3

89951437333. 4

Question Number : 20 Question Id : 8995149496 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Name the process that converts a message into communication symbols

- A. Media
- B. Encoding
- C. Feedback
- D. Decoding

Options :

89951437334. 1
89951437335. 2
89951437336. 3
89951437337. 4

**Question Number : 21 Question Id : 8995149497 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No
Correct Marks : 1 Wrong Marks : 0**

An individual who starts, creates and manages a new business can be called _____.

- 1. A leader
- 2. A manager
- 3. A professional
- 4. An entrepreneur

Options :

89951437338. 1
89951437339. 2
89951437340. 3
89951437341. 4

**Question Number : 22 Question Id : 8995149498 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No
Correct Marks : 1 Wrong Marks : 0**

Which of the following is not an internal user of management information?

1. Creditor
2. Department manager
3. Controller
4. Treasurer

Options :

89951437342. 1

89951437343. 2

89951437344. 3

89951437345. 4

Question Number : 23 Question Id : 8995149499 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The main source(s) of Generally Accepted Accounting Principles (GAAP) is/are:

1. Company Law
2. Accounting standards
3. Both A and B
4. None of these

Options :

89951437346. 1

89951437347. 2

89951437348. 3

89951437349. 4

Question Number : 24 Question Id : 8995149500 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

What standards are used to prepare financial statements by most of the countries and companies

1. International Financial Reporting Standards
2. International Financial Accounting Standards
3. International Accounting & Auditing Standards
4. International Risk Reporting Standards

Options :

- 89951437350. 1
- 89951437351. 2
- 89951437352. 3
- 89951437353. 4

Question Number : 25 Question Id : 8995149501 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The correct form of Accounting equation is

1. Assets + Liabilities = Equity
2. Assets – Liabilities = Equity
3. Assets – Receivable = Equity
4. Assets + Receivable = Equity

Options :

- 89951437354. 1
- 89951437355. 2
- 89951437356. 3
- 89951437357. 4

Question Number : 26 Question Id : 8995149502 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

A company sold goods worth \$5,000 on 5 June and \$10,000 on 28 June. The company received the first payment on 25 June and second on 7 July. The company prepared the financial statement on 30 June. What would be the total sale on the financial statement?

1. \$0
2. \$5,000
3. \$10,000
4. \$15,000

Options :

89951437358. 1
89951437359. 2
89951437360. 3
89951437361. 4

Question Number : 27 Question Id : 8995149503 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Advance payments are recognized as

1. receivable
2. payable
3. bad debt
4. none of these

Options :

89951437362. 1
89951437363. 2
89951437364. 3
89951437365. 4

Question Number : 28 Question Id : 8995149504 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Accounting for Intangible Assets are related to –

1. AS-10

2. AS-12

3. AS-24

4. AS-26

Options :

89951437366. 1

89951437367. 2

89951437368. 3

89951437369. 4

Question Number : 29 Question Id : 8995149505 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Indian Accounting Standard – 28 is related to

1. Accounting for taxes on income

2. Financial Reporting of Interests in Joint Venture

3. Impairment of Assets

4. Provisions, Contingent Liabilities and Contingent Assets

Options :

89951437370. 1

89951437371. 2

89951437372. 3

89951437373. 4

Question Number : 30 Question Id : 8995149506 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Why are accounting Standard important ?

1. For making financial statements
2. For correct valuation of inventories
3. For correct treatment of depreciation and lease and investment.
4. All of above

Options :

89951437374. 1

89951437375. 2

89951437376. 3

89951437377. 4

Question Number : 31 Question Id : 8995149507 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Accounting standards in India are issued by-

1. Central Government
2. State Government
3. The institute of Chartered Accountants of India
4. Reserve Bank of India

Options :

- 89951437378. 1
- 89951437379. 2
- 89951437380. 3
- 89951437381. 4

Question Number : 32 Question Id : 8995149508 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Accounting Standards-

1. Harmonise accounting policies
2. Eliminate the non-comparability of financial statements
3. Improve the reliability of financial statement
4. All of the above

Options :

- 89951437382. 1
- 89951437383. 2
- 89951437384. 3

89951437385. 4

Question Number : 33 Question Id : 8995149509 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Accounting for Fixed Assets are related to –

1. AS-10

2. AS-12

3. AS-24

4. AS-26

Options :

89951437386. 1

89951437387. 2

89951437388. 3

89951437389. 4

Question Number : 34 Question Id : 8995149510 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Disclosure of accounting policies are related to –

1. AS-1

2. AS-2

3. AS-3

4. AS-4

Options :

89951437390. 1

89951437391. 2

89951437392. 3

89951437393. 4

**Question Number : 35 Question Id : 8995149511 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No
Correct Marks : 1 Wrong Marks : 0**

Accounting for Amalgamation are related to –

1. AS-1

2. AS-12

3. AS-13

4. AS-14

Options :

89951437394. 1

89951437395. 2

89951437396. 3

89951437397. 4

Question Number : 36 Question Id : 8995149512 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Accounting for Investments are related to-

1. AS-1
2. AS-12
3. AS-13
4. AS-14

Options :

- 89951437398. 1
- 89951437399. 2
- 89951437400. 3
- 89951437401. 4

Question Number : 37 Question Id : 8995149513 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Accounting for revenue recognition are related to –

1. AS-8
2. AS-9
3. AS-23
4. AS-10

Options :

89951437402. 1
89951437403. 2
89951437404. 3
89951437405. 4

Question Number : 38 Question Id : 8995149514 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

When an owner withdraw goods, it is debited to his drawing account because of –

1. Continuity concept
2. Conservatism
3. Entity concept
4. None of the above

Options :

89951437406. 1
89951437407. 2
89951437408. 3
89951437409. 4

Question Number : 39 Question Id : 8995149515 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Sale income is said to be realized when-

1. Goods are sold
2. Cash is received
3. Production is completed
4. None of the above

Options :

- 89951437410. 1
- 89951437411. 2
- 89951437412. 3
- 89951437413. 4

Question Number : 40 Question Id : 8995149516 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Work in Progress is valued on the basis of cost incurred because of principle of –

1. Conservatism
2. Realisation
3. Going Concern
4. None of the above

Options :

- 89951437414. 1
- 89951437415. 2
- 89951437416. 3
- 89951437417. 4

Question Number : 41 Question Id : 8995149517 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Fees not received is not treated as income in case of Chartered Accountants

1. Concept of objectivity

2. Realisation

3. Cost Concept

4. All of the above

Options :

89951437418. 1

89951437419. 2

89951437420. 3

89951437421. 4

Question Number : 42 Question Id : 8995149518 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Fixed Assets are not shown at their realizable value in accounts because of –

1. Concept of Objectivity

2. Matching cost

3. Going Concern

4. None of the above

Options :

89951437422. 1

89951437423. 2

89951437424. 3

89951437425. 4

Question Number : 43 Question Id : 8995149519 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Why are the total of two sides of the balance sheet equal ?

1. Cost Concept
2. Dual aspect concept
3. Entity concept
4. All of the above

Options :

89951437426. 1
89951437427. 2
89951437428. 3
89951437429. 4

Question Number : 44 Question Id : 8995149520 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Pre-received income is deducted from income in the current year's P&L account, the underlying assumption being-

1. Matching cost against revenue
2. Conservatism
3. Realisation
4. None of the above

Options :

89951437430. 1

89951437431. 2

89951437432. 3

89951437433. 4

Question Number : 45 Question Id : 8995149521 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

In business purchase should not be recorded without its voucher because it is violative of the principle of –

1. Cost
2. Consistency
3. Objectivity
4. None of the above

Options :

89951437434. 1

89951437435. 2

89951437436. 3

89951437437. 4

Question Number : 46 Question Id : 8995149522 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Bank credits income of doubtful interest to Interest Suspense Account because of –

1. Concept of Conservatism

2. Objectivity

3. Consistency

4. None of the above

Options :

89951437438. 1

89951437439. 2

89951437440. 3

89951437441. 4

Question Number : 47 Question Id : 8995149523 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The revenue from gold is recorded in the books, as soon as its production is complete, because of principle of –

1. Conservatism
2. Realisation
3. Objectivity
4. None of the above

Options :

- 89951437442. 1
- 89951437443. 2
- 89951437444. 3
- 89951437445. 4

Question Number : 48 Question Id : 8995149524 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The concept of _____ suggests that provision for loss against claim accepted must be made is:-

1. Realisation
2. Periodicity
3. Conservatism
4. All of the above

Options :

- 89951437446. 1

89951437447. 2

89951437448. 3

89951437449. 4

Question Number : 49 Question Id : 8995149525 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Change in the value of Fixed Assets are not recorded in accounts because of principle of –

1. Conservatism
2. Objectivity
3. Going Concern
4. None of the above

Options :

89951437450. 1

89951437451. 2

89951437452. 3

89951437453. 4

Question Number : 50 Question Id : 8995149526 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Entries are made in Accounts on the basis of supporting vouchers-

1. Realisation Concept

2. Objectivity

3. Conservatism

4. None of the above

Options :

89951437454. 1

89951437455. 2

89951437456. 3

89951437457. 4

Question Number : 51 Question Id : 8995149527 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Commission on sale is debited to Profit and Loss account in the year in which sale is effected because of –

1. Concept of conservatism

2. Matching cost with revenue

3. Realisation concept

4. None of the above

Options :

89951437458. 1

89951437459. 2

89951437460. 3

89951437461. 4

Question Number : 52 Question Id : 8995149528 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

In the trading account, sales is written on credit side and on the opposite side purchases and purchase expenses are shown. What is the principle involved-

1. Concept of conservatism
2. Matching cost with revenue
3. Realisation concept
4. None of the above

Options :

- 89951437462. 1
- 89951437463. 2
- 89951437464. 3
- 89951437465. 4

Question Number : 53 Question Id : 8995149529 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

A budget is a plan of action expressed in...

1. Financial terms
2. Non-financial terms
3. Both
4. Subjective matter

Options :

89951437466. 1
89951437467. 2
89951437468. 3
89951437469. 4

Question Number : 54 Question Id : 8995149530 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Budget is prepared for a...

1. Indefinite period
2. Definite period
3. Period of one year
4. Six months

Options :

89951437470. 1
89951437471. 2
89951437472. 3
89951437473. 4

Question Number : 55 Question Id : 8995149531 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

A budget is tool which helps the management in planning and control of...

1. All business activities
2. Production activities
3. Purchase activities
4. Sales activities

Options :

89951437474. 1

89951437475. 2

89951437476. 3

89951437477. 4

Question Number : 56 Question Id : 8995149532 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Budgetary control system acts as a friend, philosopher and guide to the...

a. Management

b. Share holders

c. Creditors

d. Employees

Options :

89951437478. 1

89951437479. 2

89951437480. 3

89951437481. 4

Question Number : 57 Question Id : 8995149533 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Budgetary control system defines the objectives and policies of the...

- a. Production department
- b. Finance department
- c. Marketing department
- d. All

Options :

- 89951437482. 1
- 89951437483. 2
- 89951437484. 3
- 89951437485. 4

Question Number : 58 Question Id : 8995149534 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The difference between the budgeted amounts and the actual results is classified as

- A. standard deviation
- B. variances
- C. mean average
- D. weighted average

Options :

- 89951437486. 1
- 89951437487. 2
- 89951437488. 3
- 89951437489. 4

Question Number : 59 Question Id : 8995149535 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

A manager who is responsible for only the cost of the company belongs to

- A. cost center
- B. revenue center
- C. profit center
- D. investment center

Options :

89951437490. 1

89951437491. 2

89951437492. 3

89951437493. 4

Question Number : 60 Question Id : 8995149536 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

A manager, who is responsible for the both cost and revenues belong to the department of

- A. cost center
- B. revenue center
- C. profit center
- D. investment center

Options :

89951437494. 1

89951437495. 2

89951437496. 3

89951437497. 4

Question Number : 61 Question Id : 8995149537 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The larger number of manager subordinates and the higher level manager are termed as

- A. activity subordinates
- B. broader responsibility center
- C. broader subordinates
- D. activity ordinates

Options :

- 89951437498. 1
- 89951437499. 2
- 89951437500. 3
- 89951437501. 4

Question Number : 62 Question Id : 8995149538 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

An assignment of task for managers, who are accountable for their actions in controlling and budgeting of resources is classified as

- A. coordinating the company effort
- B. action plan
- C. action accountability
- D. project accountability

Options :

- 89951437502. 1
- 89951437503. 2
- 89951437504. 3

89951437505. 4

Question Number : 63 Question Id : 8995149539 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The problems associated with marginal costing are

1. Difficulties in divisions of costs
2. Problem of valuation of stocks
3. Ignores time elements
4. All of the above

Options :

89951437506. 1
89951437507. 2
89951437508. 3
89951437509. 4

Question Number : 64 Question Id : 8995149540 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

_____ is not suitable where selling price is determined on the basis of cost-plus method.

1. Absorption costing
2. Marginal costing
3. Both a and b
4. None of the above

Options :

89951437510. 1
89951437511. 2
89951437512. 3
89951437513. 4

Question Number : 65 Question Id : 8995149541 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Managers utilizes marginal costing for

1. Make or buy decision
2. Utilization of additional capacity
3. Determination of dumping price
4. All of the above

Options :

89951437514. 1

89951437515. 2

89951437516. 3

89951437517. 4

Question Number : 66 Question Id : 8995149542 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following are advantages of marginal costing?

1. Makes the process of cost accounting more simple
2. Helps in proper valuation of closing stock
3. Useful for standard and budgetary control
4. All of the above

Options :

89951437518. 1

89951437519. 2

89951437520. 3

89951437521. 4

Question Number : 67 Question Id : 8995149543 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

Under absorption costing, managerial decisions are based on

1. Profit
2. Contribution
3. Profit volume ratio
4. None of the above

Options :

- 89951437522. 1
- 89951437523. 2
- 89951437524. 3
- 89951437525. 4

Question Number : 68 Question Id : 8995149544 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

Which of the following statements are true about absorption & marginal costing?

1. In absorption costing, cost is divided into three major parts while in marginal costing, cost is divided into two main parts
2. In absorption costing period is important and in marginal costing product is important
3. Both a and b
4. None of the above

Options :

- 89951437526. 1
- 89951437527. 2
- 89951437528. 3
- 89951437529. 4

Question Number : 69 Question Id : 8995149545 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

Given production is 1,00,000 units, fixed costs is Rs 2,00,000 Selling price is Rs 10 per unit and variable cost is Rs 6 per unit. Determine profit using technique of marginal costing.

1. Rs 2,00,000
2. Rs 8,00,000
3. Rs 6,00,000
4. None of the above

Options :

- 89951437530. 1
- 89951437531. 2
- 89951437532. 3
- 89951437533. 4

Question Number : 70 Question Id : 8995149546 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

Absorption costing is also known as

1. Historical costing
2. Total costing
3. Both a and b
4. None of the above

Options :

- 89951437534. 1
- 89951437535. 2
- 89951437536. 3
- 89951437537. 4

Question Number : 71 Question Id : 8995149547 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

Opportunities to achieve further growth within current businesses are:

1. Intensive Opportunities
2. Integrative Opportunities
3. Diversification Opportunities
4. None of the above

Options :

89951437538. 1

89951437539. 2

89951437540. 3

89951437541. 4

Question Number : 72 Question Id : 8995149548 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

A budgeting process which demands each manager to justify his entire budget in detail from beginning is

1. Functional budget
2. Master budget
3. Zero base budgeting
4. None of the above

Options :

89951437542. 1

89951437543. 2

89951437544. 3

89951437545. 4

Question Number : 73 Question Id : 8995149549 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

When contribution is positive but equal to fixed cost,

1. There is loss equal to fixed costs
2. There is loss more than fixed costs
3. There will be loss less than fixed costs
4. There will be neither profit nor loss

Options :

89951437546. 1

89951437547. 2

89951437548. 3

89951437549. 4

Question Number : 74 Question Id : 8995149550 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 1 Wrong Marks : 0

When contribution is negative but less than fixed cost,

1. There is loss equal to fixed costs
2. There is loss more than fixed costs
3. There will be loss less than fixed costs
4. All of above are false

Options :

89951437550. 1

89951437551. 2

89951437552. 3

89951437553. 4

Question Number : 75 Question Id : 8995149551 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following statements related to Contribution Analysis are true?

1. If contribution is zero, there is loss equal to fixed costs
2. If contribution is negative, loss is less than fixed costs
3. If contribution is positive and more than fixed cost there will be profit
4. All of the above

Options :

- 89951437554. 1
- 89951437555. 2
- 89951437556. 3
- 89951437557. 4

Question Number : 76 Question Id : 8995149552 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Under High and Low Point method, the output at two different levels is compared with the amount of _____ incurred at these two points.

1. Total fixed costs
2. Total costs
3. Total fixed costs
4. None of the above

Options :

- 89951437558. 1
- 89951437559. 2
- 89951437560. 3
- 89951437561. 4

Question Number : 77 Question Id : 8995149553 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following are the assumptions of marginal costing?

- A) All the elements of cost can be divided into fixed and variable components.
- B) Total fixed cost remains constant at all levels of output.
- C) Total variable costs varies in proportion to the volume of output.
- D) Per unit selling price remain unchanged at all levels of operating activity.

- 1. A and B
- 2. B and C
- 3. A and D
- 4. A, B, C and D

Options :

- 89951437562. 1
- 89951437563. 2
- 89951437564. 3
- 89951437565. 4

Question Number : 78 Question Id : 8995149554 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Plant utilization budget and Manufacturing overhead budgets are types of

- 1. Production budget
- 2. Sales budget
- 3. Cost budget
- 4. None of the above

Options :

- 89951437566. 1

89951437567. 2

89951437568. 3

89951437569. 4

Question Number : 79 Question Id : 8995149555 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

R&D budget and Capital expenditure budget are examples of

1. Short-term budget
2. Current budget
3. Long-term budget
4. None of the above

Options :

89951437570. 1

89951437571. 2

89951437572. 3

89951437573. 4

Question Number : 80 Question Id : 8995149556 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which is the source of mid-term finance?

1. Micro Credit
2. Specialized Financial Institution
3. Collect Advances from Purchasers
4. Discounting the Bills Receivable

Options :

89951437574. 1

89951437575. 2

89951437576. 3

89951437577. 4

Question Number : 81 Question Id : 8995149557 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Factors that are considered to solve the financial problems of business organizations are -

- i. Cost of Capital Supply
- ii. Importance and Objectives of capital
- iii. Different types of benefits

Which one of the following is correct?

- 1. i and ii
- 2. i and iii
- 3. ii and iii
- 4. i, ii and iii

Options :

89951437578. 1

89951437579. 2

89951437580. 3

89951437581. 4

Question Number : 82 Question Id : 8995149558 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

When the concept of ratio is defined in respected to the items shown in the financial statements, it is termed as

1. Accounting ratio
2. Financial ratio
3. Costing ratio
4. None of the above

Options :

- 89951437582. 1
- 89951437583. 2
- 89951437584. 3
- 89951437585. 4

Question Number : 83 Question Id : 8995149559 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The relationship between two financial variables can be expressed in:

1. Pure ratio
2. Percentage
3. Rate or time
4. Either of the above

Options :

- 89951437586. 1
- 89951437587. 2
- 89951437588. 3
- 89951437589. 4

Question Number : 84 Question Id : 8995149560 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following statements are true about Ratio Analysis?

- A. Ratio analysis is useful in financial analysis.
- B. Ratio analysis is helpful in communication and coordination
- C. Ratio Analysis is not helpful in identifying weak spots of the business.
- D. Ratio Analysis is helpful in financial planning and forecasting.

- 1. A, B and D
- 2. A, C and D
- 3. A, B and C
- 4. A, B , C, D

Options :

- 89951437590. 1
- 89951437591. 2
- 89951437592. 3
- 89951437593. 4

Question Number : 85 Question Id : 8995149561 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Profit for the objective of calculating a ratio may be taken as

- 1. Profit before tax but after interest
- 2. Profit before interest and tax
- 3. Profit after interest and tax
- 4. All of the above

Options :

- 89951437594. 1
- 89951437595. 2
- 89951437596. 3

89951437597. 4

Question Number : 86 Question Id : 8995149562 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following are limitations of ratio analysis?

- A. Ratio analysis may result in false results if variations in price levels are not considered.
- B. Ratio analysis ignores qualitative factors
- C. Ratio Analysis ignores quantitative factors
- D. Ratio Analysis is historical analysis.

- 1. A, B and D
- 2. A, C and D
- 3. A, B and C
- 4. A, B , C, D

Options :

- 89951437598. 1
- 89951437599. 2
- 89951437600. 3
- 89951437601. 4

Question Number : 87 Question Id : 8995149563 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The use of management accounting is

- 1. Optional
- 2. Compulsory
- 3. Legally obligatory
- 4. Compulsory to some and optional to others

Options :

- 89951437602. 1
- 89951437603. 2
- 89951437604. 3
- 89951437605. 4

Question Number : 88 Question Id : 8995149564 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

The management accounting can be stated an extension of

- A. Cost Accounting
- B. Financial Accounting
- C. Responsibility Accounting
- D. All the above

- 1. Both A and B
- 2. Both A and C
- 3. D
- 4. A, B, C

Options :

- 89951437606. 1
- 89951437607. 2
- 89951437608. 3
- 89951437609. 4

Question Number : 89 Question Id : 8995149565 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Which of the following is true about management accounting?

- A. Management accounting is associated with presentation of accounting data.
 - B. Management accounting is extremely sensitive to investors needs.
1. Only A
 2. Only B
 3. Both A and B
 4. None of the above

Options :

- 89951437610. 1
- 89951437611. 2
- 89951437612. 3
- 89951437613. 4

Question Number : 90 Question Id : 8995149566 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Management accounting assists the management

1. Only in control
2. Only in direction
3. Only in planning
4. In planning, direction and control

Options :

- 89951437614. 1
- 89951437615. 2
- 89951437616. 3
- 89951437617. 4

Question Number : 91 Question Id : 8995149567 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Management accounting is related with

- A. The problem of choice making
- B. Recording of transactions
- C. Cause and effect relationships

- 1. A and B
- 2. B and C
- 3. A and C
- 4. All are false

Options :

- 89951437618. 1
- 89951437619. 2
- 89951437620. 3
- 89951437621. 4

Question Number : 92 Question Id : 8995149568 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Management accountancy is a structure for

- 1. Costing
- 2. Accounting
- 3. Decision making
- 4. Management

Options :

- 89951437622. 1
- 89951437623. 2

89951437624. 3

89951437625. 4

Question Number : 93 Question Id : 8995149569 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No
Correct Marks : 1 Wrong Marks : 0

Minimum price is calculated as

1. Variable cost + Fixed costs
2. Marginal cost + Contribution
3. Marginal cost-Contribution
4. None of the above

Options :

89951437626. 1

89951437627. 2

89951437628. 3

89951437629. 4

Question Number : 94 Question Id : 8995149570 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No
Correct Marks : 1 Wrong Marks : 0

While making a pricing decision under Special price, if price is greater than marginal cost,

1. Acceptance and rejection depends on product type
2. Order should be rejected
3. Order should be accepted
4. None of the above

Options :

89951437630. 1

89951437631. 2

89951437632. 3

89951437633. 4

Question Number : 95 Question Id : 8995149571 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

.....provides information for income determination

1. Financial accounting
2. cost accounting
3. management accounting
4. none of these

Options :

89951437634. 1

89951437635. 2

89951437636. 3

89951437637. 4

Question Number : 96 Question Id : 8995149572 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Cost accounting disclose

1. The Financial position
2. profit/loss of a product, job or service
3. effect and impact of cost on business
4. none of these

Options :

89951437638. 1

89951437639. 2

89951437640. 3

89951437641. 4

Question Number : 97 Question Id : 8995149573 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

.....aids in price fixation.

1. Financial accounting
2. cost accounting
3. management accounting
4. none of these

Options :

89951437642. 1

89951437643. 2

89951437644. 3

89951437645. 4

Question Number : 98 Question Id : 8995149574 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

In automobile,costing is used

1. Process
2. batch
3. job
4. multiple

Options :

89951437646. 1

89951437647. 2

89951437648. 3

89951437649. 4

Question Number : 99 Question Id : 8995149575 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

Service costing is used in industries producing.....

1. Products
2. service
3. both a & b
4. none of these

Options :

89951437650. 1

89951437651. 2

89951437652. 3

89951437653. 4

Question Number : 100 Question Id : 8995149576 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No Correct Marks : 1 Wrong Marks : 0

.....does not form part of production.

1. Abnormal waste
2. normal waste
3. both a & b
4. none of these

Options :

89951437654. 1

89951437655. 2

89951437656. 3

89951437657. 4