

National Testing Agency

Question Paper Name :	Management Accounting 29th August 2021 Shift 2
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Management Accounting

Group Number :	1
Group Id :	940918113
Group Maximum Duration :	0
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Show Attended Group? :	No
Edit Attended Group? :	No
Break time :	0
Group Marks :	100
Is this Group for Examiner? :	No

Management Accounting-1

Section Id :	940918165
Section Number :	1
Section type :	Online
Mandatory or Optional :	Mandatory

Number of Questions :	50
Number of Questions to be attempted :	50
Section Marks :	100
Enable Mark as Answered Mark for Review and Clear Response :	Yes
Sub-Section Number :	1
Sub-Section Id :	940918230
Question Shuffling Allowed :	Yes

Question Number : 1 Question Id : 9409187517 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Which of the following statements is true?

1. Financial statements present financial results and financial position
2. Financial statements are also known as annual accounts.
3. Financial statements are historic
4. All of these

Options :

94091828177. 1

94091828178. 2

94091828179. 3

94091828180. 4

Question Number : 2 Question Id : 9409187518 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

_____ Accounting becomes a source of information for Management Accounting.

1. Financial
2. Cost
3. Human Resource
4. Both 1 and 2

Options :

94091828181. 1

94091828182. 2

94091828183. 3

94091828184. 4

Question Number : 3 Question Id : 9409187519 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Purpose of Management Accounting is _____

1. To audit books of accounts
2. To help banks to make decisions
3. To help managers to make decisions
4. To help investors to make decision

Options :

94091828185. 1

94091828186. 2

94091828187. 3

94091828188. 4

Question Number : 4 Question Id : 9409187520 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Management Accounting assists the management in _____

1. Only Control
2. Only Direction
3. Only Planning
4. Control, Direction and Planning

Options :

94091828189. 1

94091828190. 2

94091828191. 3

94091828192. 4

Question Number : 5 Question Id : 9409187521 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Role of Management Accounting does not include _____

1. Planning
2. Decision Making
3. Presentation and analysis of Financial and Cost data
4. Procuring funds

Options :

94091828193. 1

94091828194. 2

94091828195. 3

94091828196. 4

Question Number : 6 Question Id : 9409187522 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Ratio Analysis to assess solvency, liquidity and profitability of the business is based on the information of _____

1. Cost Accounting
2. Management Accounting
3. Financial Accounting
4. Directors' Report

Options :

94091828197. 1

94091828198. 2

94091828199. 3

94091828200. 4

Question Number : 7 Question Id : 9409187523 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Which technique of costing is largely used in gold jewellery industry?

1. Contract
2. Batch
3. Job
4. Process

Options :

94091828201. 1

94091828202. 2

94091828203. 3

94091828204. 4

Question Number : 8 Question Id : 9409187524 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Which technique of costing is used in transportation industry?

1. Batch
2. Contract
3. Operating
4. Job

Options :

94091828205. 1

94091828206. 2

94091828207. 3

94091828208. 4

Question Number : 9 Question Id : 9409187525 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Which technique of costing is used in pharmaceutical industry?

1. Contract
2. Batch
3. Job
4. Process

Options :

94091828209. 1

94091828210. 2

94091828211. 3

94091828212. 4

Question Number : 10 Question Id : 9409187526 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Canteen expenses incurred by a factory is apportioned in the ratio of_____ .

1. Direct wages
2. Equally
3. Number of employees in each department
4. Indirect wages

Options :

94091828213. 1

94091828214. 2

94091828215. 3

94091828216. 4

Question Number : 11 Question Id : 9409187527 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

_____ are assumed to change in direct proportion to changes in volume/ output, while the unit cost remains constant.

1. Fixed costs
2. Semi Variable Costs
3. Variable Costs
4. Overheads

Options :

94091828217. 1

94091828218. 2

94091828219. 3

94091828220. 4

Question Number : 12 Question Id : 9409187528 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

_____ is based on the principle of predetermination of costs and achieving these cost levels so that inefficiencies and wastages may be reduced.

1. Cost control
2. Cost Reduction
3. Marginal Costing
4. Cost Management

Options :

94091828221. 1

94091828222. 2

94091828223. 3

94091828224. 4

Question Number : 13 Question Id : 9409187529 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

_____ is not a technique of inventory control

1. ABC analysis
2. EOQ
3. Reorder Point
4. Ratio Analysis

Options :

94091828225. 1

94091828226. 2

94091828227. 3

94091828228. 4

Question Number : 14 Question Id : 9409187530 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Cost reduction aims at cost savings by affecting economies in costs by _____

1. Reducing expenditure
2. Increasing productivity
3. Increasing revenue
4. 1 and 2 both

Options :

94091828229. 1

94091828230. 2

94091828231. 3

94091828232. 4

Question Number : 15 Question Id : 9409187531 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Budgeting acts as a friend, philosopher and guide to the _____

1. Management
2. Share holder
3. Creditor
4. Employees

Options :

94091828233. 1

94091828234. 2

94091828235. 3

94091828236. 4

Question Number : 16 Question Id : 9409187532 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Operating Budget, Finance Budget and Master Budget are the classification of budgets base on _____

1. Time
2. Function
3. Product
4. Industry

Options :

94091828237. 1

94091828238. 2

94091828239. 3

94091828240. 4

Question Number : 17 Question Id : 9409187533 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

_____ is a budget prepared by the production manager, showing the forecast of output.

1. Sales budget
2. Production Budget
3. Purchase Budget
4. Master Budget

Options :

94091828241. 1

94091828242. 2

94091828243. 3

94091828244. 4

Question Number : 18 Question Id : 9409187534 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

_____ Budget focuses on the expected amount of manufacturing cost that will be incurred for the budgeted level of activity.

1. Distribution expenses
2. Manufacturing Overhead
3. Total cost
4. Master

Options :

94091828245. 1

94091828246. 2

94091828247. 3

94091828248. 4

Question Number : 19 Question Id : 9409187535 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Master Budget is a summary of _____

1. All functional budgets showing the overall position of the budgets
2. All estimated cash receipts and cash payments during the budgeted period
3. Estimated Purchase of material in order to reach the budgeted output
4. Estimated selling and distribution expenses during the budgeted period

Options :

94091828249. 1

94091828250. 2

94091828251. 3

94091828252. 4

Question Number : 20 Question Id : 9409187536 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

A company manufacturing air coolers for the summer season will prepare _____

1. Fixed Budget
2. Flexible Budget
3. Semi Variable Budget
4. Current Budget

Options :

94091828253. 1

94091828254. 2

94091828255. 3

94091828256. 4

Question Number : 21 Question Id : 9409187537 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

_____ expenses are period cost.

1. Variable
2. Fixed
3. Semi – Variable
4. Variable, Fixed and Semi-Variable all

Options :

94091828257. 1

94091828258. 2

94091828259. 3

94091828260. 4

Question Number : 22 Question Id : 9409187538 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

_____ budget is prepared on the basis of fixed and variable expenses

1. Fixed
2. Variable
3. Flexible
4. Current

Options :

94091828261. 1

94091828262. 2

94091828263. 3

94091828264. 4

Question Number : 23 Question Id : 9409187539 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Generally, functional budgets are prepared on the basis of _____

1. Only Previous budget
2. Only Actual performance
3. Zero base
4. Previous budget and actual performance both

Options :

94091828265. 1

94091828266. 2

94091828267. 3

94091828268. 4

Question Number : 24 Question Id : 9409187540 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

_____ is taken as base for preparing Zero Based Budgeting.

1. Previous budget
2. Actual performance
3. Zero
4. 1 and 2 both

Options :

94091828269. 1

94091828270. 2

94091828271. 3

94091828272. 4

Question Number : 25 Question Id : 9409187541 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

_____ involves establishment of functional budgets and their integration into a master budget.

1. Traditional budgeting
2. Programme budgeting
3. Performance budgeting
4. 2 and 3 both

Options :

94091828273. 1

94091828274. 2

94091828275. 3

94091828276. 4

Question Number : 26 Question Id : 9409187542 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Zero-based budgeting was developed in _____ .

1. Japan
2. USA
3. UK
4. India

Options :

94091828277. 1

94091828278. 2

94091828279. 3

94091828280. 4

Question Number : 27 Question Id : 9409187543 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

_____ budgeting works well in profit oriented organizations.

1. Traditional
2. Programme
3. Performance
4. 2 and 3 both

Options :

94091828281. 1

94091828282. 2

94091828283. 3

94091828284. 4

Question Number : 28 Question Id : 9409187544 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

In the case of _____, output indicators are to be developed because output cannot be measured in monetary terms.

1. Non profit Organizations
2. Profit Organizations
3. Service Organizations
4. Government Organizations

Options :

94091828285. 1

94091828286. 2

94091828287. 3

94091828288. 4

Question Number : 29 Question Id : 9409187545 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Programme budgeting was first evolved in _____

1. United States
2. Japan
3. France
4. India

Options :

94091828289. 1

94091828290. 2

94091828291. 3

94091828292. 4

Question Number : 30 Question Id : 9409187546 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

_____sets out the responsibilities of the various executives concerned with the budgeting systems.

1. Budget order
2. Budget Manual
3. Budget period
4. Budget Index

Options :

94091828293. 1

94091828294. 2

94091828295. 3

94091828296. 4

Question Number : 31 Question Id : 9409187547 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Both the standard cost and the estimated cost are_____.

1. Historical cost
2. Pre-determined cost
3. Actual cost
4. Imputed cost

Options :

94091828297. 1

94091828298. 2

94091828299. 3

94091828300. 4

Question Number : 32 Question Id : 9409187548 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Standard cost is calculated before_____

1. Sales of the product
2. Packing the product
3. Planning the product design
4. Actual production starts

Options :

94091828301. 1

94091828302. 2

94091828303. 3

94091828304. 4

Question Number : 33 Question Id : 9409187549 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

The standard costing helps management to which important function?

1. Cost reduction
2. Cost planning
3. Allocation of Overhead
4. Apportionment of Overhead

Options :

94091828305. 1

94091828306. 2

94091828307. 3

94091828308. 4

Question Number : 34 Question Id : 9409187550 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Standard costing system can be easily applied to which of the following methods of costing?

1. Contract Costing
2. Job Costing
3. Operating Costing
4. Process Costing

Options :

94091828309. 1

94091828310. 2

94091828311. 3

94091828312. 4

Question Number : 35 Question Id : 9409187551 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

In standard costing, variances are usually revealed through_____

1. Financial Statements
2. Observations
3. Analysis
4. Journal

Options :

94091828313. 1

94091828314. 2

94091828315. 3

94091828316. 4

Question Number : 36 Question Id : 9409187552 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

The standard cost aims to _____

1. Which level of operations to be achieved
2. Which level of efficiency to be attained
3. Which level of volume expected
4. What the cost should be

Options :

94091828317. 1

94091828318. 2

94091828319. 3

94091828320. 4

Question Number : 37 Question Id : 9409187553 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

If actual material cost is ₹ 4 per unit for 500 units and standard material cost is ₹ 6 per unit for 600 units, the Material Cost Variance is _____

1. ₹ 1,000 (F)
2. ₹ 600 (A)
3. ₹ 1,600 (F)
4. ₹ 1,600 (A)

Options :

94091828321. 1

94091828322. 2

94091828323. 3

94091828324. 4

Question Number : 38 Question Id : 9409187554 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

If actual material cost is ₹ 4 per unit for 500 units and standard material cost is ₹ 6 per unit for 600 units, the Material Price Variance is _____

1. ₹ 1,000(F)
2. ₹ 1,000 (A)
3. ₹ 1,200 (F)
4. ₹ 1,200 (A)

Options :

94091828325. 1

94091828326. 2

94091828327. 3

94091828328. 4

Question Number : 39 Question Id : 9409187555 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

If actual material cost is ₹ 4 per unit for 500 units and standard material cost is ₹ 6 per unit for 600 units, the Material Usage Variance is _____

1. ₹ 400 (F)
2. ₹ 400 (A)
3. ₹ 600 (F)
4. ₹ 600 (A)

Options :

94091828329. 1

94091828330. 2

94091828331. 3

94091828332. 4

Question Number : 40 Question Id : 9409187556 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

MPV + MUV = _____

1. MMV
2. MCV
3. MYV
4. MSUV

Options :

94091828333. 1

94091828334. 2

94091828335. 3

94091828336. 4

Question Number : 41 Question Id : 9409187557 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Labour Rate variance + Labour Efficiency variance = _____

1. Labour Cost Variance
2. Labour Mix Variance
3. Labour Yield Variance
4. Idle Time Variance

Options :

94091828337. 1

94091828338. 2

94091828339. 3

94091828340. 4

Question Number : 42 Question Id : 9409187558 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

If standard hours are 350 @ ₹.2 per hour and actual hours are 400 @ ₹1.5 per hour, the Labour Cost Variance is _____

1. ₹ 100 (A)
2. ₹ 75 (F)
3. ₹ 87.5 (A)
4. ₹ 100(F)

Options :

94091828341. 1

94091828342. 2

94091828343. 3

94091828344. 4

Question Number : 43 Question Id : 9409187559 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

If standard hours are 350 @ ₹.2 per hour and actual hours are 400 @ ₹1.5 per hour, the Labour Rate Variance is _____

1. ₹ 175 (A)
2. ₹ 175 (F)
3. ₹ 200 (A)
4. ₹ 200 (F)

Options :

94091828345. 1

94091828346. 2

94091828347. 3

94091828348. 4

Question Number : 44 Question Id : 9409187560 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

If standard hours are 350 @ Re.2 per hour and actual hours are 400 @ ₹1.5 per hour, the Labour Efficiency Variance is _____

1. 100 (A)
2. 100 (F)
3. 75 (A)
4. 75 (F)

Options :

94091828349. 1

94091828350. 2

94091828351. 3

94091828352. 4

Question Number : 45 Question Id : 9409187561 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

The difference between Budgeted overhead and actual overhead is ____

1. Overhead efficiency variance
2. Overhead cost variance
3. Overhead volume variance
4. Fixed overhead expenditure variance

Options :

94091828353. 1

94091828354. 2

94091828355. 3

94091828356. 4

Question Number : 46 Question Id : 9409187562 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Difference between absorbed overhead and actual overhead is_____

1. Overhead efficiency variance
2. Overhead cost variance
3. Overhead volume variance
4. Overhead capacity variance

Options :

94091828357. 1

94091828358. 2

94091828359. 3

94091828360. 4

Question Number : 47 Question Id : 9409187563 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Overhead budget variance is ₹2,000 (A), Volume Variance is ₹500 (F) and capacity variance is ₹1,000 (F). Fixed overhead cost variance is equal to _____

1. ₹1,500 (A)
2. ₹500 (A)
3. ₹1,000 (A)
4. ₹1,000 (F)

Options :

94091828361. 1

94091828362. 2

94091828363. 3

94091828364. 4

Question Number : 48 Question Id : 9409187564 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Variable overhead budget variance is ₹700 (A), overhead efficiency variance is ₹300 (F), what is the amount of overhead cost variance?

1. ₹450 (F)
2. ₹400 (A)
3. ₹300 (A)
4. ₹250 (A)

Options :

94091828365. 1

94091828366. 2

94091828367. 3

94091828368. 4

Question Number : 49 Question Id : 9409187565 Question Type : MCQ Option Shuffling : No Is Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Sales Margin Price Variance is the difference between _____

1. Actual profit and budgeted profit
2. Actual profit and standard profit
3. Standard profit and budgeted profit
4. None of these

Options :

94091828369. 1

94091828370. 2

94091828371. 3

94091828372. 4

Question Number : 50 Question Id : 9409187566 Question Type : MCQ Option Shuffling : No Is

Question Mandatory : No

Correct Marks : 2 Wrong Marks : 0

Sales Margin Variance (total) is the difference between _____

1. Budgeted Sales and Actual Sales
2. Budgeted Sales price and Actual sale price
3. Budgeted profit and Actual profit
4. Budgeted profit and Standard profit

Options :

94091828373. 1

94091828374. 2

94091828375. 3

94091828376. 4