

M.Com semester III – ATKT

Advance Cost Accounting

Sample questions

Following questions are provided for the benefit of students. These are indicative only.

Unit I

- 1 Process Costing should be used when _____
2. Abnormal gain is valued at _____ -
3. Normal loss is calculated at a certain percentage of the _____
- 4 The type of wastage that should not affect the cost of closing stock is _____
- 5 Stock of goods is valued at _____
- 6 After adjustment of scrap value, balance on abnormal loss a/c is transferred to _____
- 7 Input is 80,000 units, normal loss is 20%, output is 62,000 units. Abnormal gain will be _____
- 8 Equivalent units are _____
- 9 Equivalent units are calculated on the basis of _____
- 10 Inventory is 2000 units. Degree of completion are: Raw materials 100%; Labour 80% and Overheads 70%. Equivalent units will be _____
- 11 Equivalent production of 1,000 units, 60 % complete in all respect is _____
- 12 Equivalent production of 1,500 units of opening WIP, 40 % complete in all respect during the current period and transferred to next process is _____
- 13 In a process 8,000 units are introduced during a period. 5% of input is normal loss. Closing WIP 60% complete is 1000 units, 6600 units are transformed to next process. Equivalent production for the period is _____

UNIT II

- 14 The allotment of whole items of cost to cost unit is called as _____
- 15 Selling & distribution overheads are absorbed on the basis of _____
- 16 Power is allocated on the basis of _____
- 17 The simultaneous equation method is a method for _____
- 18 Basis of overheads apportionment for plant repairing is _____
- 19 Basis of apportionment for indirect labour is _____
- 20 An activity which generates cost is a _____

- 21 A cost driver is an _____
- 22 Cost driver for customer order processing is _____
- 23 Building depreciation is a _____
- 24 Testing of product is a _____
- 25 Under traditional costing cost reduction is achieved by _____

UNIT III

- 26 Responsibility centre concerned with revenue is _____
- 27 The basic objective of RI approach is to have a division maximise its _____
- 28 The basic purpose of responsibility accounting system is _____
- 29 A responsibility centre is _____
- 30 Production manager is a _____
- 31 Profit centre is evaluated by _____
- 32 The cost which is influenced by the decisions of the manager of a responsibility centre is _____
- 33 Responsibility report should be _____
- 34 RI is measure of performance of _____
- 35 The best measure of performance is _____
- 36 Transfer price gives _____
- 37 Market price is affected by _____
- 38 Under cost pricing transfer price is based on _____
- 39 Transfer price in MNCs is affected by _____
- 40 Transfer pricing benefits _____

UNIT IV

- 41 Modern methods of costing include _____
- 42 Target costing is a _____
- 43 Target cost is a _____
- 44 Land & building is shown in the balance sheet at _____

- 45 Cost of sales is converted as per _____
- 46 Depreciation is converted at _____
- 47 Depreciation is calculated on the basis of _____
- 48 Sales are converted at _____
- 49 Gearing is the ratio of _____
- 50 Abnormal loss is valued at _____
- 51 Sunil corporation uses target costing and sells a product for INR 40 per unit. The company seeks profit margin equal to 30% of sales. If target costing calculations revealed a need for a cost INR 4 cost reduction, the firm's current manufacturing cost must be _____
- 52 Place the following steps for the implementation of target costing in order:
A=Derive a target cost
B=Develop a target price
C=Perform value engineering
D= Determine Target profit
- 53 Input is 80,000 units, normal loss is 20%, output is 62,000 units. Abnormal gain will be _____
- 54 The following data relate to Happy Division of Euphoria Inc:
Sales INR 1,00,00,000 ; Variable costs INR 30,00,000 ; Fixed costs INR 50,00,000; Capital Charge 12% ; capital invested INR 80,00,000. The divisional return on investment is _____
- 55 The following tasks are associated with an activity based costing system:
1. Calculation of cost application rates
2. Identification of cost drivers
3. Assignment of cost to products
4. Identification of cost pools
Which of the following choices correctly expresses the proper order of the preceding tasks?

M.Com. Advanced Accountancy Sem III – ATKT

Advanced Financial Accounting

Sample Questions

Unit : Banking Company Accounts

1. As per Banking Regulation Act, Balance sheet of a Banking Company is prepared according to the format of _____
2. Schedule for Cash and Balances with Reserve Bank of India is _____
3. Rebate on bills discounted appears in Banking Companies Act _____
4. Provision for sub-standard asset is _____
5. Rebate on bills discounted is _____
6. Inter office adjustment in Banking Companies Account appears in _____
7. Overdraft is one of the _____ given by the banks.
8. Commission, Income and Brokerage are _____ to Banks.
9. The percentage of reserve transferred to statutory reserve on Banking Company is _____
10. The schedule for contingent liability in Banking Company Account is _____
11. Bill for collection are shown _____
12. Letter of credit are shown by the bank under _____
13. The heading 'other assets ' does not include _____
14. Unclaimed dividend is shown by a bank under _____ -
15. Provision for Loss asset is _____

Unit : Foreign Currency Conversion

1. _____ Foreign Operations system under which goods imported for the reporting enterprise and remits the proceed to the reporting enterprise.
2. Monetary items of integral foreign operation at the balance sheet is converted at _____ exchange rate.
3. Opening stock is converted at _____ rate under foreign currency conversion.
4. Debtors in trial balance of Branch account in German shows a balance of 400 Euro \$, convert it into reporting currency. Opening exchange rate – 1Euro \$ = Rs.75
Closing rate – 1 Euro \$ = Rs.80 Average Rate = 1 Euro \$ = Rs.72. Apply non integrated system of accounting
5. Exchange difference in integrated system of foreign branch is transferred to _____ Account.
6. Journal entry for transferring the difference in gain on converting into foreign currency
7. Tangible fixed assets of integral foreign operation carried at cost are translated at _____
8. Realizable value of inventory is translated at _____ rate.
9. Identify monetary item
10. AS _____ deals with foreign currency transaction.

Unit : Insurance Company Accounts

1. In fire insurance _____ percentage of reserve is created for unexpired risk
2. Insurance business is controlled by _____
3. Claim is _____ for Insurance company
4. Premium shall be recognised as income _____
5. In the financial statements of an Insurance Company, underwriting commitments outstanding are shown as _____
6. Claim outstanding is shown in the balance sheet of an insurance company under _____
7. Premium on Insurance ceded is _____ from Premium earned for calculating Net premium.
8. Identify the treatment for surveyor's fee in Insurance company accounts
9. Calculate the Net claim – Claim paid Rs. 1,00,000; Opening balance of outstanding claim Rs. 20,000; Closing balance of outstanding claim Rs. 10,000; Claim on reinsurance accepted Rs. 25,000; Claim on reinsurance ceded – Rs. 20,000
10. Fixed asset in Insurance company accounts appear in _____ schedule
11. Calculate net premium received. Premium received on direct business – Rs. 5,00,000; Premium on reinsurance accepted – Rs. 2,00,000; Premium of reinsurance ceded- Rs. 1,00,000
12. Interest, dividend, rent is treated as _____ in Insurance Company Accounts.
13. Outstanding Premium is shown in the balance sheet of an Insurance Company under _____
14. A life Insurance Company prepare Revenue Account In _____
15. _____ percentage of reserve is created for unexpired risk in case of Marine Insurance.

Unit : Co-operative Society Accounts

1. The value of share of each member in capital of Co-operative society is _____
2. Non occupancy charges of a co-operative society can not exceed _____ % of service charges.
3. Dead stocks is shown in the balance sheet of a co-operative society under _____
4. The whole of the day-to-day management of a Co-operative society is vests in _____
5. Capital of Co-operative society is in the form of _____
6. _____ fund may be used for reconstruction of its building
7. Maximum amount of cash balance in the society is _____
8. Conveyance charge is _____ for the Co-operative society
9. Non Agricultural tax paid is _____ for the Co-operative society
10. Transfer fee appears under _____ head in Co-operative society accounts.

MCOM SEM 3 – ATKT

Direct taxes

Sample Questions

1. Income tax is ___ Tax.
2. Income tax is charged by ___.
3. Income tax was passed in ___.
4. Assessee is a person who is liable to pay___.
5. The person who has not satisfied any of the conditions is called as___.
6. The person who has satisfied a or b condition but not c or d condition is called as___.
7. The person who has satisfied a or b condition and also c or d condition is called as___.
8. Interest received in USA earned in USA Rs.500000 is not taxable to ___.
9. Steve smith an Australian citizen comes to India for 90 days during the previous year for the first time. His residential status is___.
10. Income from business in India Rs.500000 out of which 50% received in USA. Taxable amount in case of resident and ordinarily resident is Rs.____.
11. Agricultural income is exempt under section___.
12. Standard deduction under the head "income from salary" is Rs.____.
13. Entertainment allowance is only allowed to government employee with the limit of Rs.____.
14. Gratuity exemption has a statutory limit of Rs.____.
15. Income from sub-letting house property is taxable under the head ___.
16. Interest allowed in case of Self occupied property for the loan taken for repairs is Rs____.
17. If assessee owns two Self occupied properties, then one property will be treated as Self occupied and other will be___.
18. Depreciation rate is 20%. Asset purchased on 1/5/2019. Rate to be considered to allow depreciation under section 32 is___.
19. Following is not allowed as a deduction under the head " Profits and Gains from Business and profession".
20. Following is allowed as a deduction under the head "Profits and Gains from Business and profession".
21. Gains arising from sale of shares within 1 year from the date of purchase is called as ___.
22. Gift received Rs.60000 from a friend. Taxable amount is Rs.____.
23. Following is not classified as Income from other sources.
24. Following is not allowed as deduction under section 80C.
25. The statutory limit under section 80CCE for section 80C, 80CCC, 80CCD is____.
26. The statutory limit under section 80D for person below 60 years is ___.

27. The statutory limit for preventive health check-up under section 80D is___.
28. The statutory limit for dependent disabled (95%) under section 80DD is___.
29. Remuneration of partners is allowed up to ___ for on first Rs.300000 (Book profits).
30. _____is applicable to Partner in firm, HUF and Individuals
31. Tax amount on total income of Rs.500000 for a person having 30 years of age is Rs._____.
32. Tax amount on total income of Rs.1000000 for a person having 30 years of age is Rs._____.
33. Winning from lotteries Rs.70000 (Net of TDS 30%). Taxable amount is Rs_____.
34. Cost of acquisition of flat Rs.300000 in 2019. Sale value in 2020 Rs.500000. Calculate capital gains
35. Cost inflation index of PY 2005-06 – 117 of PY 2019-20 – 289. Cost of acquisition in 2005-06 was Rs.40,00,000. Calculate indexed Cost of acquisition for PY 2019-20.
36. Income from business in India Rs.500000 out of which 50% received in USA. Taxable amount in case of Non-resident is Rs._____.
37. Items appearing on debit side of profit and loss A/c - Depreciation Rs. 400000. Salaries to employees Rs.600000. Net profit Rs.100000. Calculate business income.
38. Gross Total income Rs.1500000. Investment in ELSS (2 years) Rs.150000. Calculate total income.
39. Items appearing on the debit side of profit and loss account of a firm - Interest @20% on partner's capital Rs.20000. Net profit Rs.100000. Calculate business income.
40. Shane watson an australian citizen came to india for the first time in PY 2019-20 for 40 days. Decide his residential status.
41. Income from minor child is exempt up to Rs._____.
42. Section 10 (13A) is for_____.
43. Section 10 (10) is for_____.
44. Section 10 (10A) is for_____.
45. Section 10 (10AA) is for_____.
46. The statutory limit for interest on savings bank account under section 80TTA is_____.
47. The statutory limit for dependent disabled (35%) under section 80DD is_____.
48. Tax rate on firms is _____.
49. Tax rate on income from gambling is_____.
50. Tax rate on short term capital gains is_____.