

Multiple Choice Questions

Question Bank

SHIVAJI UNIVERSITY, KOLHAPUR

B.Com (Part- III) (Semester-VI) Examination, October-2020

Subject: Advanced Costing (Paper – IV)

Subject Code- 51467

Question: Choose the Correct alternative and complete the Statements.

1)is the difference between sales and variable Cost

a. Break Even Point

b. Contribution

c. Profit Volume Ratio

d. Margin of Safety

2) When Break Even Point is 1000 units and Contribution per unit is Rs.5 then total Fixed cost is Rs.....

a.Rs.5000

b. Rs. 200

c. Rs 500

d. Rs. 50000

3) is “the amount at any given volume of output by which aggregate costs are changed if the volume of output is increased or decreased by one unit.”

a. Prime cost

b. Absorption cost

c. Marginal cost

d. Standard cost

4) P/V ratio shows the.....

a. Volume of profit

b. Volume of sales

c. Net profit

d. Volume of production

5) A flexible budgets takes into account

a. Fixed cost only

b. Variable cost only

c. Semi Variable Costs only

d. Fixed, Variable & Semi Variable Cost

6)budget shows the anticipated sources and utilization of cash.

- a. **Cash**
- b. Flexible
- c. Master
- d. Fixed

7) XYZ Company manufacture single product at 40 % capacity having Rent of Factory is Rs.24000. Estimate amount of Rent at 80% capacity

- a. Rs. 12000
- b. Rs.24000**
- b.Rs.48000
- d. Rs.36000

8) is the budget designed to furnish budgeted costs for any level of activity actually attained.

- a.Master Budget
- b.Production Budget
- c. Fixed budget
- d. Flexible budget**

9) Excess of actual cost over standard cost indicatesvariance.

- a. Favourable
- b.Positive
- c.Adverse**
- d. Negative

10) Which Variance is always an adverse variance

- a. Labour Efficiency Variance
- b. Material Price Variance
- c. Material Mix Variance
- d. Labour Idle Time Variance**

11) Which of the following Equations can be used to calculate Material Cost Variance

- a. (SQ x SR) – (AQ x AR)**
- b. SR (AQ-SQ)
- c. AQ (SR-AR)
- d.SR (SM-AM)

12) Cost audit represents True and fair view of theof any product.

- a. Cost of sale
- b. Cost of Raw material consumption
- c. Cost of Production**
- d. Factory Overheads

13) Efficiency Audit ensuresreturn on Capital Employed.

- a.Maximum
- b.Minimum
- c.Average
- d.Optimum**