

- Marginal Costing is known as.....
A. Fixed Cost Method B. Variable Cost Method C. Combine Cost Method D. None of above
-includes variable expenses and fixed expenses as total cost per unit.
A. Marginal Cost B. Absorption Cost C. Variable Cost D. All of above
- One of the followings is not related to Marginal Costing.
A. There is no change in the selling price. B. There is change in the quantity of production only.
C. There is change in the operating efficiency. D. There does not change in the prices of input factors.
- In marginal costing, which of the followings is right for foreign dumping?
A. Fixed cost absorbed from domestic market. B. Sales made in foreign at marginal cost.
C. None of (A) and (B) D. (A) and (B) both
- One of the followings is wrong for marginal costing.
A. Beneficial for short term B. It is harmful for firm to selling without costing fixed cost
C. Ignorance of time factor D. None of above
- Cost Volume Profit Analysis is used for.....
A. To determine sales for earning budgeted profit B. To know effect of variable expenses on profit
C. To know effect of selling mix on profit D. All of above
- Where income becomes equal to expenses is called.....
A. Breakeven point B. Middle Breakeven point C. High Breakeven point D. All of above
- The ratio between sales and contribution is called.....
A. Breakeven point B. Net profit C. Profit volume ratio D. (B) and (C) both
- A company has 60% rate of variable cost against sales, find out Profit volume ratio.
A. 60% B. 40% C. 140% D. 160%
- A company made sales of Rs. 10,00,000 and its Margin of Safety is 40%. Find out Breakeven point.
A. Rs. 4,00,000 B. Rs. 6,00,000 C. Rs. 14,00,000 D. Rs. 10,00,000
- In the book of a company, sales was Rs. 10,00,000 and profit was Rs. 1,00,000 in 2019, where sales was Rs.12,00,000 and profit was Rs. 1,40,000 in 2020. What will be profit volume ratio?
A. 20% B. 10% C. 11.67% D. Calculation is not possible
- Following information is collected from the books of a company. Find out fixed expenses. Breakeven point is Rs. 80 Cror, profit-volume ratio is 40% and margin of safety is Rs. 20 Cror.
A. Rs. 40 Cror B. Rs. 32 Lakh C. Rs. 40 Lakh D. Rs. 32 Cror
- Following information is collected from the books of a company. Find out current profit. Breakeven point is Rs. 80 Cror, profit-volume ratio is 40% and margin of safety is Rs. 20 Cror.
A. Rs. 8 Cror B. Rs. 20 Cror C. Rs. 12 Cror D. Calculation is impossible
- A company has Rs. 6 variable cost of particular product. It's selling price is Rs. 10 and fixed expenses are Rs. 60000. If company want to earn 15% profit on total sales. How many units should sales?
A. 2,40,000 Units B. 24,000 Units C. 60,000 Units D. Calculation is not possible
- If changes made in input or assumption become different, which method is used to know effect on result?
A. Sensitivity Analysis B. Input Analysis C. Output Analysis D. Parallel Analysis
- Which of the following is related to the relevant cost?
A. If any production unit is closed, its variable expenses i.e. wages, electricity etc are also stopped.
B. Each and every option has deferent expenses C. All relevant expenses are not meet from book D. All of above
- For absorption cost, which of the following is correct?
(i) Fixed costs are used for stock valuation, (ii) only variable expenses are used for stock valuation,
(iii) value of per unit stock is higher than marginal cost.
A. Only (i) is correct B. Only (i) and (ii) are correct C. Only (i) and (iii) are correct D. (i), (ii) and (iii) are correct
- is the difference in the total cost that will arise from the selection of one alternative instead of another.
A. Profit improve cost B. Differential cost C. Marginal cost D. Absorption cost
- One of the following is not a characteristic of differential cost.
A. It is future cost B. Relevant cost is used. C. Not depended on general value D. Useful in managerial decision
- Differential cost is used for.....
A. Take a decision to make or buy B. To know maximum sales mix
C. Take a decision to stop or continue the production D. All of above
- For the use of differential cost, which of the following factors are considered?
A. Use of surplus power B. Impact seems on investment of loose parts production
C. Both (A) and (B) D. None of above
- When the production should stop? (i) sales decreases constantly, (ii) When product can't stand up to new technology. (iii) Fixed costs continue rise. (iv) When one of the items in the products series becomes obsolete, the entire series should be closed.
A. Only (i) and (ii) are correct. B. Only (i) and (iii) are correct.
C. Only (ii) and (iv) are correct. D. Only (i), (ii) and (iii) are correct.

23. Which of the followings is characteristic of future costing?
A. Profit planning B. Market survey C. Value analysis D. All of above
24. "Just in time" concept focus to remove.....
A. Wastage of Material B. Wastage of Assets C. Wastage of Time D. All of above
25. Per product, the stages of the product life cycle are to be seen.
A. This sentence is correct B. This sentence is wrong
C. This sentence is not suitable D. This assumption is only for domestic trade only
26. Planning of production equipment-2 is.....
A. Production define approach B. The interdisciplinary approach C. systemic approach D. None of above
27. Target costing is depends on....
A. Original cost of product B. Historical cost of product C. Market price of product D. All of above
28. A machine takes 3 hours and 6 hours for the production of "X" and "Y" respectively. If maximum available time is 2400 hours, what will be equation from the following?
A. $3x + 6y = 2400$ B. $3x + 6y \leq 2400$ C. $3x + 6y \geq 2400$ D. None of above
29. Differential cost is related to....
A. Sunk cost B. Relevant cost C. Historical cost D. None of above
30. Which of the following characteristic is not for relevant cost?
A. It is a future cost B. It is a outflow of cash C. It is a historical cost D. All of above
31. Linear programming is used for.....
A. Best decision making B. Maximization C. Minimization D. All of above
32. In which field from the following, linear programming is useful?
A. Production management B. Marketing management C. Financial management D. All of above
33. Key factor.....
A. Show a lack B. Show an interruption C. For maximization D. All of above
34. A company makes a unit in an hour by machine and earns Rs. 160 per unit. Or the same thing can be made by a laborer and earns Rs. 80. If the machine is rented, Rs. 40 received as rent. What is the opportunity cost per unit if the company decides to produce by machine?
A. Rs. 100 B. Rs. 120 C. Rs. 40 D. Rs. 60
35. If key factor is labour, which of the following is used for decides profitability of product?
A. Contribution per unit B. Contribution per hour C. Variable cost per unit D. None of above
36. Sunk cost is related to.....
A. Relevant cost B. Differential cost C. Historical cost D. All of above
37. Cost-volume-profit analysis is tools for
A. Cost accounting B. Financial accounting C. Management accounting D. All of above
38. If key factor is material, which of the following is used for decides profitability of product?
A. Contribution per unit B. Contribution per kilogram C. Total contribution D. None of above
39.tool of linear programming for the solving business problems.
A. Operating/Functional Research B. Marginal Costing C. PERT and CPM D. Cost Accounting System
40. Significant factor of linear programming is
A. Constraints B. Cost C. Contribution D. All of above
41. In, Cost is determined after change made in product design.
A. Just in time B. Product life cycle cost system C. Target costing D. Increasing cost system
42. Target cost depends on.....
A. Actual cost of product B. Historical cost of product C. Future cost product D. None of above
43. Which stage of the product life cycle, the manufacturer tries to sustain advertisement and sales sustain by salesman?
A. In entry level B. In developing stage C. In maturity stage D. All of above
44. Which of the following assumption is made in breakeven point?
A. Non-linear relationship B. Change in contribution in respect of the change in variable factors
C. Disproportionate relationship D. Linear relationship
45. Target costing method was first used in country.
A. Japan B. India C. Russia D. England.
46. "JIT" approach was raised in
A. America B. Japan C. England D. India
47. There was marginal cost of Rs.100000 and absorption cost is Rs.120000 at normal production of 10000 units. What will be fixed cost per unit? A. Rs. 10 B. Rs. 12 C. Rs.2 D. Rs.22
48. A company wants to accept an agreement in which 50 kilograms of raw material named X will be used. Currently there is a stock of 80 kilogram of this raw material. By mistake purchase made at Rs.10 per kilogram. It has no other use of materials for the company. The cost of restoration of these goods is Rs. 12. If it is not used in this agreement, Rs. 6 articles will sell in the market. What will be the relevant cost of raw material X ?
A. Rs.800 B. Rs.600 C. Rs.300 D. Rs.500
49. 5 kg and 7 kg of raw material are used per unit to make two items named A and B. respectively. If maximum 12000 kg of raw material is available then what will be equation from the following?
A. $5x + 7y = 12000$ B. $5x + 7y \geq 12000$ C. $5x + 7y \leq 12000$ D. None of above
50. If safety of margin is 25%, P. V. ratio is 30% and profit is Rs.60000, what will be fixed cost?
A. Rs. 800,000 B. Rs.180,000 C. Rs.200,000 D. Rs.150,000
