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State	Finished
Completed on	Thursday, 15 April 2021, 9:18 AM
Time taken	18 mins 25 secs
Grade	10.0 out of 10.0 (100%)

Question **1**

Complete

Mark 1.0 out of 1.0

7. Most reliable method of capital investment proposal evaluation is

- ☒ a. Net present value method
- ☐ b. Discounted payback period
- ☐ c. Gross profit method
- ☐ d. Payback period

The correct answer is: Net present value method

Question **2**

Complete

Mark 1.0 out of 1.0

8. Threshold limit for applicability of GST for trading / manufacturing in India is

- ☐ a. Rs. 50 lakhs p.a
- ☐ b. Rs. 100 lakhs p.a
- ☒ c. Rs. 40 lakhs per annum
- ☐ d. Rs. 60 lakhs p.a

The correct answer is: Rs. 40 lakhs per annum

Question **3**

Complete

Mark 1.0 out of 1.0

10. Which of the following is not an overhead

- ☒ a. Freight inwards
- ☐ b. Warehouse rent
- ☐ c. Production managers salary
- ☐ d. Factory lighting

The correct answer is: Freight inwards

Question **4**

Complete

Mark 1.0 out of 1.0

4. Which one of the following is a direct tax

- ☐ a. Entertainment tax
- ☐ b. Customs duty
- ☐ c. GST
- ☒ d. Income Tax

The correct answer is: Income Tax

Question **5**

Complete

Mark 1.0 out of 1.0

1. Which of the following is not an element of Prime cost

- ☐ a. Wages
- ☐ b. Purchase expenses
- ☒ c. Salaries
- ☐ d. Power & fuel

The correct answer is: Salaries

Question **6**

Complete

Mark 1.0 out of 1.0

2. Margin of safety is the difference between

- ☒ a. Breakeven sales & actual sales
- ☐ b. Actual Sales & cost of production
- ☐ c. Actual profit and estimated profit
- ☐ d. Breakeven sales less cost of production

The correct answer is: Breakeven sales & actual sales

Question **7**

Complete

Mark 1.0 out of 1.0

9. ABC analysis is a tool used in

- ☐ a. Receivables management
- ☐ b. Classification of costs
- ☒ c. Inventory management
- ☐ d. Cash budgeting

The correct answer is: Inventory management

Question **8**

Complete

Mark 1.0 out of 1.0

5. Which one of the following is a non fund based facility by a bank

- ☐ a. Overdraft facility
- ☒ b. Bank guarantee
- ☐ c. Cash credit
- ☐ d. Short term loan

The correct answer is: Bank guarantee

Question **9**

Complete

Mark 1.0 out of 1.0

6. Which of the following does not qualify for deduction against salary income under Income Tax Act?

- ☐ a. Profession tax
- ☐ b. Health insurance premium
- ☒ c. Medical expenses
- ☐ d. Standard deduction

The correct answer is: Medical expenses

Question **10**

Complete

Mark 1.0 out of 1.0

3. Costing system being followed in a textile mill is

- ☐ a. Batch costing
- ☒ b. Process costing
- ☐ c. Product costing
- ☐ d. Operating costing

The correct answer is: Process costing