

**LPUNEST - Ph.D. Commerce**  
**(Sample Questions)**

- QUESTION 1** From the following, find a sentence which is false in respect of partnership
- Option A If the partnership is following the “Fixed Capital Account Method” salary payable to a partner is credited to the partner’s current account
- Option B Drawings made by partners are never entered in the Profit and Loss Appropriation Account.
- Option C In the “Fluctuating Capital Account Method” the balance in the capital account always remains the same
- Option D The capital account of a partner is required to be opened in both the Fixed Capital Account Method and Fluctuating Capital Account Method
- QUESTION 2** Which one of the following items would not be considered a manufacturing cost?
- Option A Cream for an ice cream maker
- Option B Sales commissions for a car manufacturer
- Option C Plant property taxes for an ice cream maker
- Option D Tires for an automobile manufacturer
- QUESTION 3** Which one of the following refers to a cost that remains the same as the volume of activity decreases within the relevant range?
- Option A Average cost per unit.
- Option B Variable cost per unit
- Option C Unit fixed cost
- Option D Total variable cost
- QUESTION 4** A major disadvantage of a static budget is that
- Option A It is more difficult to develop than a flexible budget
- Option B It is made for only one level of activity
- Option C Variances tend to be smaller than when flexible budgeting is used
- Option D Variances are more difficult to compute than when flexible budgeting is used

**QUESTION 5**

In the following method of pricing the issues, price quoted by the firm on the basis of cost plus margin may not be competitive, when the prices of inputs are falling

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|----------|--------------------|
| Option A | Last in First out  |
| Option B | Base Stock         |
| Option C | Average Cost       |
| Option D | First in First out |