

AS MCQ Answers (27/02/2026)

Q1. (b) Depreciation recomputed prospectively on revised estimates → ₹1,62,500.

Q2. (b) Temporary fall in long-term investment ignored; carry at cost.

Q3. (b) Revenue recognised net of expected returns (12,00,000 × 92%).

Q4. (b) Probable obligation with reliable estimate → provision required.

Q5. (d) Lease term major part + PV ≈ FV → finance lease.

Q6. (d) Grant amortised to P&L against depreciation → net ₹3,50,000.

Q7. (c) Abnormal wastage excluded from inventory cost.

Q8. (c) DTA from unabsorbed depreciation needs virtual certainty.

Q9. (c) Reportable if segment total revenue ≥10% enterprise revenue.

Q10. (a) Revenue = stage of completion × contract price = ₹56,00,000.

Q11. (d) Mere common independent director ≠ related party.

Q12. (d) Exchange difference treatment depends on policy (P&L/FCMITDA).

Q13. (c) Dividend after BS date is non-adjusting event; disclose only.

Q14. (b) Change in depreciation method = change in estimate; prospective.

Q15. (c) Qualifying asset requires substantial time to get ready.

Q16. (d) Diluted EPS after adjusting profit & shares = ₹5.86

Q17. (b) AS 13 uses cost model for investment property.

Q18. (b) Research costs always expensed under AS 26.

Q19. (b) Impairment = Carrying – Recoverable = ₹4,00,000.

Q20. (b) Net liability = DBO – Plan assets – unrecognised PSC = ₹12,00,000.