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शक्तिउत्थानआश्रमलखीसरायबिहार

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CHARTERED ACCOUNTANT INTERVIEW QUESTIONS & ANSWERS

1. Question 11. Explain Incidence Of Tax In The Case Of Resident But Not-ordinarily Resident?

Answer :

Income which is received or deemed to be received in ABC in the previous year:

- Income which accrues or arises or is deemed to accrue or arise in ABC during the previous year.
- Income which accrues or arises outside ABC from a business controlled or profession set up in ABC.
- Income received outside ABC from a business controlled or profession set up in ABC.

2. Question 12. Do You Know Who Is A Resident And Ordinarily Resident (ror)?

Answer :

Individual is treated as Resident and Ordinarily Resident if he satisfies any one of the basic conditions and both the following additional conditions.

Basic Conditions:

- He is in XYZ(country) for a period or periods amounting in all to at least 182 days in the relevant previous year.
- He is in XYZ(country) for 60 days or more during the relevant previous year and has been in XYZ(country) for 365 days or more during four previous years immediately preceding the relevant previous year.

Additional Conditions:

- He has been Resident in XYZ(country) for at least 2 out of 10 previous years immediately preceding the relevant previous year.
- He has been in XYZ(country) for 730 days or more during 7 previous years immediately preceding the relevant previous year.

3. Question 13. Tell Me What Does The Term Person Includes?

Answer :

The term Personal includes:

- An Individual
- Undivided Family
- A Company
- A Firm
- An Association of Persons or A Body of Individuals
- A Local Authority
- Every Artificial Person not falling under any of the preceding sub-clauses.

4. **Question 14. Explain What Is Inflation And How Is It Measured?**

Answer :

Inflation means an overall increase in the prices of goods and services. It is a decrease in the value of a currency. There are three types of measurement, Core Inflation, CPI, and WPI. Core Inflation is a measurement of non-volatile goods such as food and non-precious metals.

It leaves out goods like oil because oil's price is subject to wild fluctuations. CPI is the most common measurement, using a market basket of goods and measuring their price from a point in the past (a CPI of 100 is arbitrarily the same price level for 1982-1984). Thus, the equation is $(\text{Price of most recent market basket} / \text{price of same market basket in 1982-1984}) \times 100$.

The 100 is to give us the number we normally see. WPI is Wholesale Price Index. It is a measure of wholesalers' prices and is generally considered a pre-cursor to what CPI will be (as it takes time for goods to reach the consumer).

5. **Question 15. Explain What Is Ramsay Pricing?**

Answer :

It assigns costs based on the price elasticity of demand. Yet higher the elasticity (elastic), the lower the charge of fixed costs when allocated amongst products.