

FINAL EXAMINATION

December 2013

F-P17(COA)

Syllabus 2008

Cost Audit & Operational Audit

Time Allowed: 3 Hours

Full Marks: 100

The figures in the margin on the right side indicate full marks.

- Please: (1) Answer all bits of a question at one place.
(2) Open a new page for answer to a new question.
(3) Attempt the required number of questions only.*

SECTION I (50 Marks)

(Cost Audit)

Answer Question No. 1 (carrying 14 marks) which is compulsory and answer any two (carrying 18 marks each) from the rest in this Section.

1. (a) In each of the cases/statements given below, one out of Four alternatives is correct. Indicate the correct answer (only indicate A or B or C or D as you think correct) 1×8=8
- (i) PARA — 2 of the annexure to Cost Audit Report under the Companies (Cost Audit Report) Rules 2011 deals with
- A. Cost accounting policy
 - B. Product group details
 - C. Related Party transactions
 - D. Quantitative information of each product group separately.
- (ii) Form — 1 XBRL is used for filing :
- A. Cost Audit Report of a Company
 - B. Annual Report of a Company
 - C. Annual Accounts of a Company
 - D. None of the above.
- (iii) Excisable clearance means:
- A. Only sale of goods from factory
 - B. Removal from godown
 - C. Despatches from bonded warehouse
 - D. Total clearance from factory.
- (iv) CAS —14 deals with
- A. Cost of Utilities
 - B. Pollution Control Cost
 - C. Employee Cost
 - D. Packing Material Cost.

Please Turn Over

- (v) Cost Accounting Record Rules were first made for
- Jute Industry
 - Cement Industry
 - Chemical Industry
 - Sugar Industry.
- (vi) The Compliance Report is to be issued by the Certifying Cost Accountant in:
- Form — A of the Companies (Cost Accounting Records) Rules — 2011
 - Form — B of the Companies (Cost Accounting Records) Rules — 2011
 - Form — C of the Companies (Cost Accounting Records) Rules — 2011
 - None of the above.
- (vii) Soda Ash is Covered by
- Cost Accounting Records (Chemical Industries) Rules — 2004
 - Cost Accounting Records (Formulations) Rules — 1988
 - Cost Accounting Records (Bulk Drugs) Rules — 1974
 - Cost Accounting Records (Industrial Alcohol) Rules — 1997.
- (viii) According to _____ on Cost of utilities, the Cost of maintaining stand-by utilities shall be the Committed Cost. (Fill in the Gap from the below)
- CAS — 5
 - CAS — 6
 - CAS — 8
 - CAS — 10.
- (b) State whether the following statements based on the quoted terms are TRUE or FALSE with justifications for your answer. No credit will be given for any answer without justifications: 1×6=6
- The responsibility of creating XBRL document lie with the Cost Auditor
 - As per CAS — 5 Warranty Costs and after sales service cost are part of selling overheads
 - Abridged Cost Statement (for each product group separately) is being dealt in PARA-6 of the annexure to Cost Audit Report under the Companies (Cost Audit Report) Rules — 2011.
 - In view of e-filing of Cost Audit Report, only one hard copy is required to be submitted to the Cost Audit Branch.
 - CAS — 6 deals with determination of Cost of Production for Captive Consumption.
 - Acetate yarn/fibre is covered by the Cost Accounting Records (Textiles) Rules 1977.
2. (a) How would you treat the following as per CAS — 7 related to Employee Cost?
- Recruitment Costs
 - Overtime premium
 - Separation Cost due to Voluntary Retirement, retrenchment, termination etc.
 - Bonus
- 1+1+2+2=6

