

FINAL EXAMINATION

JUNE 2014.

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.

Working notes should form part of the answer.

'Whenever necessary, suitable assumptions should be made and indicated in answer by the candidates'.

SECTION A (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
- (i) XBRL (Extensible Business Reporting Language) is a language based on
- A. XML family of languages
 - B. XRL family of languages
 - C. XBL family of languages
 - D. None of the above
- (ii) PARA 6 of the Annexure to Cost Audit report under the Companies (Cost Audit Report) Rules 2011 deals with
- A. Product group details
 - B. Quantitative information of each product group separately
 - C. Operating ratio analysis for each product group separately
 - D. Abridged Cost Statement for each product group separately
- (iii) Financial Position and Ratio Analysis under PARA 9 of the Annexure to Cost Audit Report under Companies (Cost Audit Report) Rules 2011 is to be furnished for
- A. Current year only
 - B. Current year and previous 2 years
 - C. Current year and previous year
 - D. Current year and previous 3 years

Please Turn Over

- (iv) As per CAS-8 cost of utilities shall not include
- Employee cost
 - Administrative overheads
 - Imputed costs
 - Selling overheads
- (v) Cost Accounting Standard on Cost of Service Cost Centres is dealt in
- CAS 9
 - CAS 10
 - CAS 11
 - CAS 13
- (vi) Maximum amount of Penalty payable by a Cost Auditor for non-compliance with Provisions of the Companies (Cost Audit Report) Rules 2011 is
- ₹ 1000
 - ₹ 5000
 - ₹ 10000
 - ₹ 15000
- (vii) Warranty Costs and after sales Service Costs are part of selling overheads as per _____.
(Fill in the gap from the below)
- CAS 12
 - CAS 14
 - CAS 15
 - CAS 17
- (viii) Electricity is a part of power and under the head of utilities but it is also a Raw materials in
- Cement Plant
 - Caustic Soda Plant
 - Steel Plant
 - None of (A), (B), (C)
- (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
- Interest and financial charges are considered to be a part of Cost of production.
 - Form A XBRL (Extensible Business Reporting Language) is used for filing COST AUDIT Report of a Company.
 - Financial position and Ratio Analysis are being dealt with PARA-3 of Annexure to Cost Audit Report under Companies (Cost Audit Report) Rules 2011.
 - As per CAS-6 the Forex Component of imported material is converted at the rate on date of payment.
 - Cost Accounting Standard on Direct Expenses is dealt in CAS-11.
 - Cost Audit is to be conducted only when the shareholders of the Company direct such an audit at the Annual General Meeting.

