

INTERMEDIATE EXAMINATION

December 2015

P-10(CMA)
Syllabus 2012

Cost and Management Accountancy

Time Allowed: 3 Hours

Full Marks: 100

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

This paper contains four questions.

All questions are compulsory, subject to instruction provided against each question.

All workings must form part of your answer.

Assumptions, if any, must be clearly indicated.

Please (i) Write answers to all parts of a question together.

(ii) Open a new page for answer to a new question.

(iii) Attempt the required number of questions only.

1. Answer all questions.

- (a) Given: Sales ₹ 2,00,000; Fixed Cost ₹ 40,000; BEP ₹ 1,60,000. Ascertain the profit. 2
- (b) A contract is expected to be 80% complete in its first year of construction, as certified. The Contractee pays 75% of the work certified as and when certified and makes final payment on the completion of the Contract. The following information is available for the first year:
- | | (₹) |
|--|----------|
| Cost of Work uncertified | 80,000 |
| Profit transferred to Profit and Loss Account at the end of year1 on incomplete contract | 60,000 |
| Cost of Work to date | 8,80,000 |
- Compute the Notional Profit. 2
- (c) Narrate any two practical difficulties in installing a costing system. 2
- (d) State any two limitations of inter-firm comparison. 2
- (e) Calculate the efficiency ratio from the following figures:
- | | | |
|------------------------|-----------|---|
| Budgeted production | 160 units | |
| Actual production | 120 units | |
| Standard time per unit | 10 hours | |
| Actual hours worked | 1000 | 2 |
- (f) Is a cost auditor required to audit and certify monthly, quarterly, half-yearly and yearly cost statements? 2
- (g) Is the provision of rotation of auditors applicable to cost auditors also? 2
- (h) What is 'shadow price'? 2
- (i) Mention two conditions for price discrimination. 2
- (j) If Total Revenue (₹) = 20Q and Total Cost (₹) = 400 + 12Q, find Break Even Point in units. Given, Q = number of units. 2

Please Turn Over

