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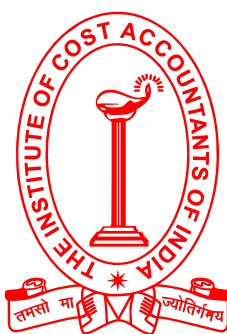
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CMA Student E - Bulletin

INTERMEDIATE

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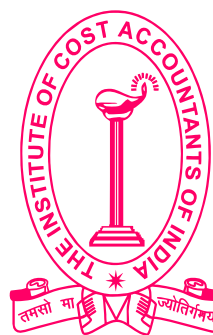
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Behind every successful business decision, there is always a **CMA**

Message from The Chairman

CMA Biswarup Basu

Vice President & Chairman,
Training & Education Facilities
and Placement Committee



MESSAGE FROM THE CHAIRMAN

Dear Students,

Greetings!!

"Instead of celebrating my birthday, it would be my proud privilege if 5 September is observed as Teachers' Day" - Dr. Sarvepalli Radhakrishnan said in 1962. Since then, Teachers' Day is observed across the country on his birthday, i.e., September 5.

A recipient of Bharat Ratna, Dr. Radhakrishnan, stands at the top when it comes to impeccable contribution to education. Dr. Radhakrishnan is one of the role models to many aspiring minds. He was involved in various roles starting from Philosopher to the President of India, but people remember him majorly for his contribution as a teacher; thus, Dr. Radhakrishnan is acclaimed for dedicating his life towards education and improving the standards in the field of education. Being a student, you should follow his path.

The Directorate of Studies is working conscientiously to provide the students with all possible supports and guidance. Live Webinars are being conducted, recorded webinars are also there in the e-library. Answers to the Mock Test Papers (MTPs), updated Work Books, and monthly E-bulletins are uploaded on our website as per the pre-scheduled manner. Learned academicians and professionals are contributing in their own way to the development of our students despite the odd situation faced by everybody during the pandemic Covid-19. Being the Chairman of the Training & Educational Facilities and Placement Committee, I am really thankful to all of them. So, don't give up hope, carry on with your exercises, and try to utilize the facilities and opportunities being offered by the Directorate of Studies. The Training & Placement Directorate has announced August - September 2020 as online Campus Placement months and already many reputed companies have started recruiting qualified CMAs of December 2019 batch.

"The end product of education should be a free creative man, who can battle against historical circumstances and adversities of nature." Thus, following the above sayings of Dr. Radhakrishnan, you should march ahead and it is through your contribution in the society, our India will lead the planet in the years to come.

Best wishes as always,

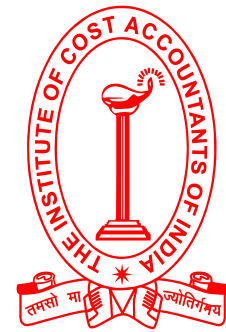
CMA Biswarup Basu
Chairman, Training & Education Facilities and Placement Committee

Be a CMA, be a Proud Indian

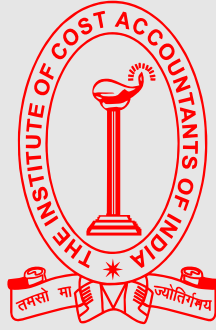
**Stay Home
Stay Safe**



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KNOWLEDGE Update



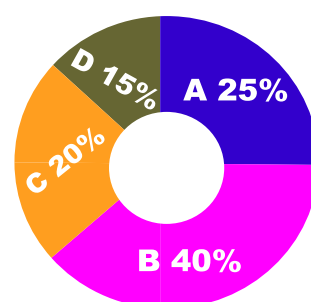
In this section of e-bulletin we shall have a series of discussion on each of these chapters to provide a meaningful assistance to the students in preparing themselves for the examination at the short end and equip them with sufficient knowledge to deal with real life complications at the long end.



GROUP: I, PAPER: 5
FINANCIAL
ACCOUNTING (FAC)

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Your Preparation Quick Takes



Syllabus Structure

- A Accounting Basics 25%
- B Preparation of Financial Statements 40%
- C Self Balancing Ledger, Royalties, Hire Purchase & Installment System, Branch & Departmental Accounts 20%
- D Accounting in Computerised Environment and Accounting Standards 15%

Learning Objective:

- Students will demonstrate their knowledge of the fundamental and technical concepts of accounting.
- Students will reveal critical-thinking and problem-solving skills.
- Students will exhibit the ability to recognize when change is appropriate, to adapt to change as it occurs, and to take the lead in creating change.
- Students will display a sense of responsibility and a capacity for the subject after learning.

FINANCIAL ACCOUNTING

Dear friends,

"Life indeed is a dull if there is no problem".

Life is so beautiful because of the presence of lot of uncertainties. The man who lives in present and cherishes the past and never disheartens with load of thoughts of uncertain probabilities is a man with smile and happiness. So motivate yourself and smile, come whatever may.

Here is a very small assignment for you all. Hope you will enjoy solving this. Make a self assessment today, and see your score.

A. Fill in the Blanks:

1. Not-For-Profit Organisations are used for the welfare of the
2. Not-For-Profit Organisations are not engaged in.....OR.....
3. Receipts and Payments Account is the summary ofAND.....transactions.
4. Income and Expenditure account is just like a.....A/C of a trading concern.
5. Income and Expenditure A/c is prepared on.....basis.
6. Subscription is a fee paid by the.....
- 7..... are the amounts received as per the will of the deceased person.
8. Opening balance in Receipt and Payment A/c represents.....
9. Government Grant for maintenance is treated as.....receipt
10. Donation for specific purpose are always.....

B. Fill in the blank questions:

1. Section....of Indian Partnership Act, 1932 defines Partnership.
2. A partnership has no separate.....entity
3. In order to form a partnership, there should be at leastpersons.
4. Partnership is the result ofbetween two or more persons to do business and share its profits and losses.
5. It is preferred that the partners have a.....agreement.
6. The agreement should be to carry on some..... business.
7. The liability Of a partner for his acts is.....
8. In the absence of Partnership Deed Interest on advance from Partner will be charged @ -----percentage per annum.
9. UnderMethod, the capitals of the partners shall Remain fixed
10. Profit and Loss Appropriation Account is merely an extension ofAccount of firm.
11. Profit and Loss Appropriation Account ... Dr

To.....A/C
(Being interest on capital is transferred to P/L Appropriation A/C)

12.....A/C... Dr
To Salary to Partners account
(Transferring partners salary to P/L Appropriation a/c)

13. P/L Appropriation A/C..... Dr
To Partners Capital /Current A/c.
(Being.....)

14. When fixed amount is withdrawn at the end of every month, interest on the total amount for the year ending is calculated for.....months.

15. Under fluctuating capital method, all the transactions relating to partners are directly recorded in the.....account.

16. Profit or loss on revaluation is shared among the old partners in ratio

17. Old ratio - New ratio =

18. Accumulated losses are transferred to the capital accounts of the old partners at the time of admission in their ratio.

19. General reserve is to be transferred to accounts at the time of admission of a new partner.

20. Goodwill brought in by new partner in cash is to be distributed among old partners in ratio.

21.If the amount brought by new partner is more than his share in capital, the excess is known as.....

C. EXAMPLES

1. Raga and Tala are partners sharing profits and losses in the ratio of 7:3. They admit Shruti into the partnership. Raga surrenders 1/2nd of his share and Tala 1/4th of her share in favour of Shruti. Calculate new profit sharing ratio of Raga, Tala and Shruti.

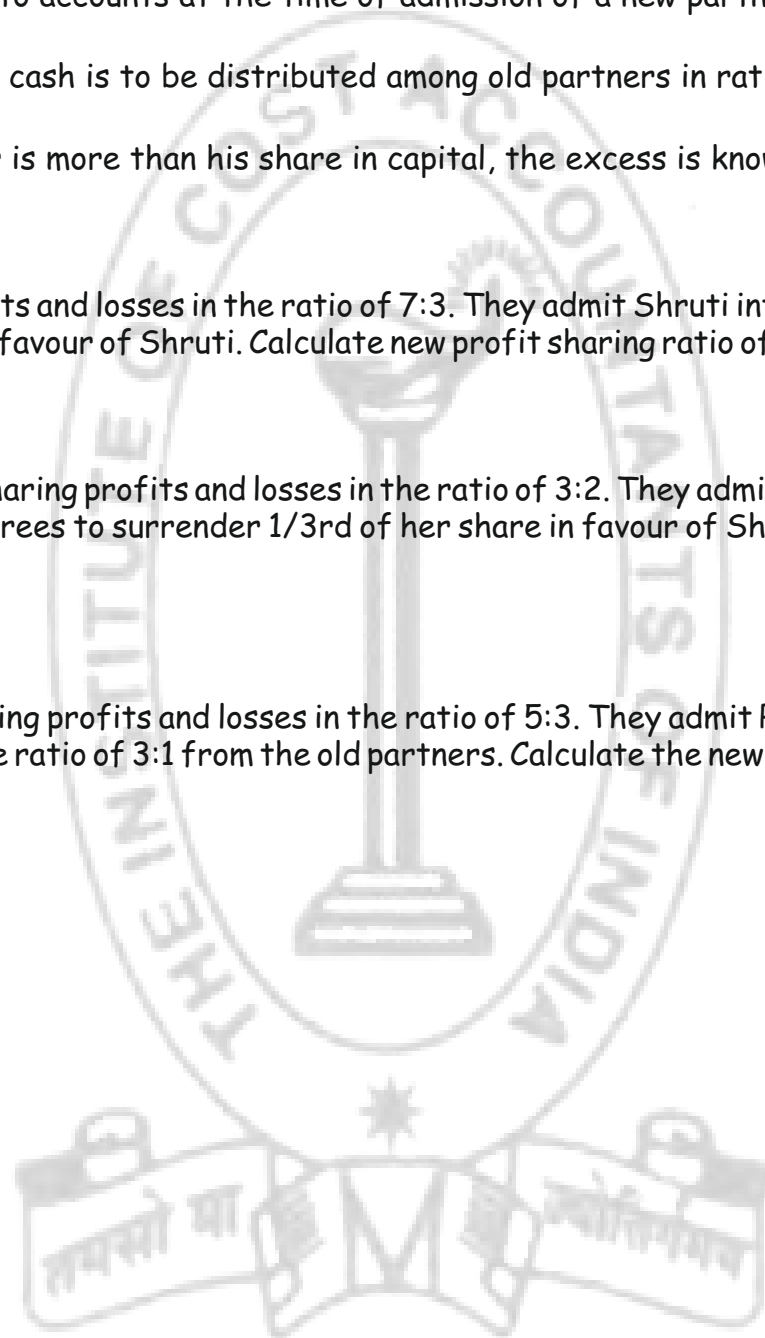
(Ans: 14:9:17)

2. Chaya and Maya are partners in a firm sharing profits and losses in the ratio of 3:2. They admit Shreya as a new partner. Chaya agrees to surrender 1/4th of her share and Maya agrees to surrender 1/3rd of her share in favour of Shreya. Calculate new profit sharing ratio of Chaya, Maya and Shreya.

(Ans: 27:16:17)

3. Pradeep and Sandeep are partners sharing profits and losses in the ratio of 5:3. They admit Pramod into the partnership and offer him 1/6th of the share which he acquired in the ratio of 3:1 from the old partners. Calculate the new profit sharing ratio.

(Ans: 12:8:4 or 3:2:1)

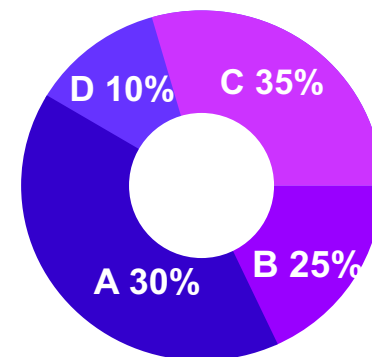




GROUP: I, PAPER: 6
LAWS & ETHICS
(LNE)

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Your Preparation Quick Takes



Syllabus Structure
A Commercial Laws 30%
B Industrial Laws 25%
C Corporate Laws 35%
D Ethics 10%

Learning Objectives:

Prior to start discussing on the Paper, we need to understand few basic points about the paper. Unlike other papers, this particular may turn to be very interesting and scoring as well, provided you pay attention to the points discussed below:

- Read the Act carefully and try to know the meaning of the contents in it,
 - All the Acts are having practical implications in the real life world and it will help you to solve the problems in your real life situations once you join in the industry and / or practicing field,
 - Answers should be specific and to the point,
 - Please don't try to elaborate your answers adding irrelevant terms and items ; it may penalise you
- With the Tips given here, please follow the Suggested Answers and Mock Test Papers of the Institute to have a fair idea about writing the paper in the examination.

LAWS & ETHICS

It is hoped that you all are making the best use of the lockdown situation and studying constructively. You must prepare a time-table with time allotted for each subject and read, write, revise and recapitulate all that you keep on reading. .

There is a general feeling that MCQ Pattern Examinations shall be introduced keeping the Essay type system in abeyance. ***you may have to initiate a Special Method of Preparation totally different from the essay type examination pattern. MCQ exams contain many more questions than essay exams. You can no longer resort to selective study based on past questions. You are expected to be studying in greater depth and gather more range of knowledge with no more chance to bluff the examiner.***

Under the MCQ pattern, you will be given several questions first and then asked to answer among a set of options where there may be one or more wrong answers. ***You must try to lay emphasis on details and therefore keep studying regularly every day and make short notes and keep revising repeatedly until your brain can retain it for a long term. You must pay particular emphasis on getting your concept clear with sound fundamentals.*** You must learn to think logically in normal sequence and develop the knack to distinguish between similarities and differences which might be confusing, yet be the basis used to distinguish correct choices from among the choices given with each question. ***Always remember that MCQ tests are designed to test your knowledge and ability.***

Now, you will realize the importance of reading the Sections and definitions so that you understand what the Sections lays and/or what the definition means. ***You will notice that the question-setter will actually be rephrasing the words in the Section and/or definition and placing them before you as MCQs. Therefore, please study carefully because under the MCQ pattern you can fall prey to misleading options that will distract you as the options will look similar to the correct answer.***

The first TIP is that you must read the Bear Act and the Sections and start asking questions to yourself and find your own answers.

In this issue we shall continue to deal with Corporate Laws - Companies Act, 2013

Sec.53 Prohibition on Issue of Shares at a discount

We normally often hear about shares issued at a Premium. However, sometimes the situation in a company may demand that the company has to decide to issue shares at discount.

Therefore, the obvious question is - **When does such a situation arise when a company has to decide to Issue Share at Discount ?**

Discounted prices may be offered when company is not able to pay its debts and hence decides to offer its share to its creditors.

Sec.53(1) of Company Act 2013 strictly prohibited the companies to issue shares at discounted price.

It invites penalty and imprisonment for directors.

Sec.53(2) of Company Act 2013 provides that any share issued by a company at a discounted price shall be void.

Sec.53(2A) now provides that - notwithstanding anything contained in sub-sections (1) and (2), a company may issue shares at a discount to its creditors when :

- ❖ its debt is converted into shares in pursuance of any statutory resolution plan or
- ❖ under a debt restructuring scheme in accordance with any guidelines or directions or regulations specified by the Reserve Bank of India under the Reserve Bank of India Act, 1934 or the Banking (Regulation) Act, 1949].

Substituted by the Companies (Amendment) Ordinance, 2019 dated 12.01.2019 [Companies (Amendment) Ordinance 2018 is repealed on 12th January 2019]

The changes were made in the **penalty provisions**. Section 53 Where any company fails to comply with the provisions of Sec.53, such company and every officer who is in default shall be liable to a penalty :

- which may extend to an amount equal to the amount raised through the issue of shares at a discount or five lakh rupees, whichever is less, and
- Company shall also be liable to refund the money received with interest at 12% per annum from the date of issue of the shares to the persons to whom such shares have been issued.

Sec56 Transfer and Transmission of Securities

At the very beginning, let us be clear that Sec.56 covers Securities. When we say Securities, it includes Shares - Equity Shares and Preference Shares.

The holder of shares or the Shareholder, as he is called, becomes the partial owner of that company. Such shares can be bought and sold depending on the terms laid by the company of the Regulators. The Equity Shareholders get a right to exercise control in Corporate matters and management of the company unlike the Preference Shareholders. Sec.56 provides how transfer and transmission shall be done. Let us deal with it briefly :

(1) A company shall not register a transfer of securities of the company :

- a unless a proper instrument of transfer, in prescribed form is filled in ;
- b The Form is duly stamped, dated and executed by or on behalf of the transferor and the transferee;
- c The Form specifies the name, address and occupation, if any, of the transferee
- d The Form is delivered to the company by the transferor or the transferee within a period of 60 days from the date of execution ; and
- e The certificate relating to the securities, or if no such certificate is in existence, along with the letter of allotment of securities

Where the instrument of transfer has been lost or the instrument of transfer has not been delivered within the prescribed period, the company may register the transfer on such terms as to indemnity as the Board may think fit.

Sec.56(2) provides that the company shall have the power to register the transfer, on receipt of an intimation of transmission of any right to securities by operation of law from any person to whom such right has been transmitted.

Sec.56(3) provides that where an application is made by the transferor alone and relates to partly paid shares, the transfer shall be registered only if :

- ❖ the company gives the notice of the application, in such manner as may be prescribed, to the transferee ; and
- ❖ the transferee gives no objection to the transfer within two weeks from the receipt of notice.

Sec.56(4) deals with Delivery of Certificate and provides that every company shall, unless prohibited by any provision of law or any order of Court, Tribunal or other authority, deliver the certificates of all securities allotted, transferred or transmitted -

- (a) within a period of two months from the date of incorporation, in the case of subscribers to the memorandum;
- (b) within a period of two months from the date of allotment, in the case of any allotment of any of its shares;
- (c) within a period of one month from the date of receipt by the company of the instrument of transfer, the intimation of transmission under sub-section (2), in the case of a transfer or transmission of securities;
- (d) within a period of six months from the date of allotment in the case of any allotment of debenture:

Where the securities are dealt with in a depository, the company shall intimate the details of allotment of securities to depository immediately on allotment of such securities.

Sec.56(5) provides that the transfer of any security or other interest of a deceased person in a company made by his legal representative shall, even if the legal representative is not a holder thereof, be valid as if he had been the holder at the time of the execution of the instrument of transfer.

Sec.56(6) specifies the Punishment for any default in complying with the provisions of sub-sections (1) to (5)

- ❖ The company shall be punishable with fine which shall not be less than Rs.25,000 (twenty-five thousand) but which may extend to Rs.5,00,000 (five lakhs) and
- ❖ every officer of the company who is in default shall be punishable with fine which shall not be less than Rs.10,000 (ten thousand) but which may extend to Rs.1,000 (one lakh).

Sec.56(7) provides that **where any depository or depository participant** without prejudice to any liability under the Depositories Act, 1996, *with an intention to defraud a person, has transferred shares, it shall be liable under section 447.*

Rectification of Register of Members

Sec.59(1) provides that *if the name of any person is, without sufficient cause, entered in the register of members of a company, or after having been entered in the register, is, without sufficient cause, omitted therefrom, or if a default is made, or unnecessary delay takes place in entering in the register, the fact of any person having become or ceased to be a member, :-*

The person aggrieved, or any member of the company, or the company may appeal in such form as may be prescribed, to :

- a the Tribunal, or
- b to a competent court outside India, specified by the Central Government by notification, in respect of foreign members or debenture holders residing outside India, **for rectification of the register.**

Sec.59(2) provides that **the Tribunal may**, after hearing the parties to the appeal under sub-section (1) by order :

- ❖ *either dismiss the appeal or*
- ❖ *direct that the transfer or transmission shall be registered by the company within a period of 10 (ten) days of the receipt of the order or*
- ❖ *direct rectification of the records of the depository or the register and in the latter case,*
- ❖ *direct the company to pay damages, if any, sustained by the party aggrieved.*

Sec.59(3) provides that *this section shall not restrict the right of a holder of securities, to transfer such securities and any person acquiring such securities shall be entitled to voting rights unless the voting rights have been suspended by an order of the Tribunal.*

Sec.59(4) provides that **where the transfer of securities is in contravention of** any of the provisions of :

- The Securities Contracts (Regulation) Act, 1956,
- The Securities and Exchange Board of India (**SEBI**) Act, 1992 or
- The **Companies Act, 2013** or
- Any other law for the time being in force,

The Tribunal may, on an application made by :

- the depository,
- the company,
- the depository participant,
- the holder of the securities or
- the Securities and Exchange Board,

direct any company or a depository to set right the contravention and rectify its register or records concerned.

Sec.59(5) provides that **if any default is made in complying with the order of the Tribunal under section, 59, the company shall be punishable with**

- 1) **Fine** which shall not be less than **Rs. 1,00,000** (one lakh) but which may extend to **Rs. 5,00,000** (five lakhs) and
- 2) every officer of the company who is in default shall be punishable **with imprisonment** for a term which may extend to **1 (one) year** or **with fine** which shall not be less than **Rs. 1,00,000** (one lakh) but which may extend to **Rs. 3,00,000** (three lakhs), or **with both.**

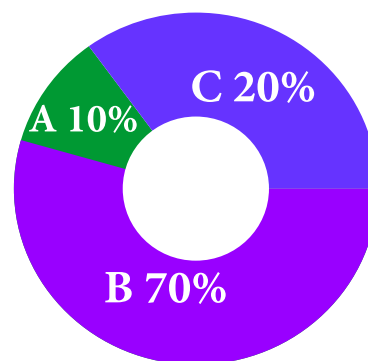


GROUP: I, PAPER: 7

DIRECT TAXATION (DTX)

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Your Preparation Quick Takes



Syllabus Structure

- A** Income Tax Act Basics **10%**
- B** Heads of Income and Computation of Total Income and Tax Liability **70%**
- C** Tax Management, Administrative Procedures and ICDS **20%**

Learning Objectives:

- Identify the key concepts and functions of direct tax.
- Know how to calculate income tax provision's.
- Describe how uncertain tax positions are accounted for under the rules.
- Gradually you will come to know how to prepare and file tax returns.

MULTIPLE CHOICE QUESTIONS

Choose the correct alternative

- All assesseees are required to follow -
 - Uniform previous year and that must be calendar year
 - Uniform previous year and that must be financial year**
 - Any period of 12 months
 - Period starting from 1st July to 30th June only
- First previous year in case of a business/profession newly set up on 31.3.2020 would -
 - Start from 1st April, 2019 and end on 31st March, 2020
 - Start from 31.3.2020 and will end on 31.3.2020**
 - Start from 1st January, 2020 and end on 31st December, 2020
 - Start from 1st March, 2020 and will end on 31st March, 2020
- A person follows Calendar year for accounting. For taxation, he has to follow -
 - Calendar year only - 1st January to 31st December
 - Financial year only - 1st April to 31st March**
 - Any of the Calendar or Financial year as per his choice
 - He will to follow extended year from 1st January to next 31st March (a period of 15 months)
- Income accrued outside India and received outside India is taxable in case of -
 - Resident and ordinary resident (ROR) only**
 - Resident but not ordinary resident (RNOR) only
 - Non resident only
 - Resident and ordinary resident (ROR), Resident but not ordinary resident (RNOR) and Non-Resident
- An Indian company would -
 - be resident in India if its place of effective management is situated in India
 - be resident in India if its control and management is wholly or partly situated in India
 - be always resident in India irrespective of location of its place of effective management**
 - be resident in India if its control and management is wholly situated outside India
- Which of the following may be a 'not ordinarily resident' in India -
 - Partnership firm
 - Joint stock company
 - Association of persons
 - Hindu Undivided Family**
- Under section 10(10BC), any compensation received for loss/damage on account of any _____ is eligible for exemption.
 - disaster**
 - life
 - accident
 - business
- Which out of the following income is exempt from tax?

- (a) **Sum received by a member from HUF**
 (b) Dividend received from a foreign company
 (c) Agricultural income from Bangladesh
 (d) Salary Income from a Non Profitable Organisation
9. Agricultural income is exempt provided that the -
 (a) **Land is situated in India**
 (b) Land is situated in any rural area of India
 (c) Land is situated whether in India or outside India
 (d) Land is situated outside India
10. Leave travel concession is exempt in hands of employee -
 (a) Once in a year
 (b) **Twice in a prescribed block of four year**
 (c) Upto ₹ 50,000 per trip
 (d) Always taxable
11. Uncommuted pension is exempt in hands of -
 (a) Non-specified employees
 (b) All employees
 (c) Government employees
 (d) **No one (i.e., not exempt)**
12. Salary is taxable when -
 (a) it is received
 (b) it is accrued
 (c) it is due
 (d) **it is received or due, whichever is earlier**
13. Net Annual Value of a self occupied property treated as such is -
 (a) Fair Rent
 (b) **Nil**
 (c) Reasonable Expected Rent as reduced by municipal tax paid during the previous year
 (d) Reasonable Expected Rent
14. One out of the following house properties is not exempted, which is -
 (a) House property of a political party
 (b) **House property let out for the purpose of own business of tenant**
 (c) House property of a local authority
 (d) A house property of ex-ruler
15. X is the owner of a house, the details of which are given below: Municipal value ₹ 30,000 Actual Rent ₹ 32,000 Fair rent ₹ 36,000 Standard rent ₹ 40,000 The gross annual value would be -
 (a) **₹ 36,000**
 (b) ₹ 35,000
 (c) ₹ 30,000
 (d) ₹ 40,000
16. Expenditure incurred by a company for the purpose of promoting family planning among its employees, being of a capital nature -
 (a) Is not allowed as a deduction
 (b) Allowed as deduction in 4 equal installments in 4 years
 (c) **1/5 of expenditure is allowed as deduction in the previous year**
 (d) 2/5 of expenditure is allowed as deduction in 4 equal installments in 4 years after the previous year
17. The preliminary expenses that can be amortized under the Income Tax Act, 1961 has to be restricted to _____ of the cost of project.

- (a) 3%
- (b) 8%
- (c) **5%**
- (d) 20%
18. A person, carrying on profession, has to get his accounts audited on compulsory basis if his gross receipts in profession for the previous year relevant to the assessment year 2020-21 exceed _____.
- (a) Nil
- (b) ₹ 40,00,000
- (c) ₹ 20,00,000
- (d) **₹ 50,00,000**
19. In which of the following case Indexation benefit is not available on transfer of long term capital asset being -
- (a) Shares of a company
- (b) **Debentures of a company**
- (c) A residential house
- (d) Agricultural land
20. Any gain on transfer of asset being house property on which depreciation u/s 32(1)(ii) is claimed, shall be treated as -
- (a) Long Term Capital Gain
- (b) **Short Term Capital Gain**
- (c) Income from other source
- (d) Income from house property
21. Long Term Capital Gain on transfer of Zero Coupon Bonds shall be taxable at the rate of -
- (a) **10% (without indexation)**
- (b) 10% (with indexation)
- (c) 20% (with indexation)
- (d) 20% (without indexation)
22. Interest on delayed compensation or enhanced compensation is taxable -
- (a) On accrual basis
- (b) Exempt from tax
- (c) As per method of accounting of the assessee.
- (d) **On receipt basis**
23. While computing taxable interest on delayed compensation, a standard deduction is allowed @ -
- (a) **50%**
- (b) 15%
- (c) 30%
- (d) Nil
24. The maximum amount of standard deduction in case of family pension is _____.
- (a) ₹ 5,000
- (b) ₹ 2,000
- (c) **₹ 15,000**
- (d) ₹ 10,000
25. Income of minor is clubbed however the clubbing provision is not applicable if -
- (a) Minor is a married daughter
- (b) **Minor is handicapped as specified u/s 80U**
- (c) Parents are separated
- (d) Minor is a married son

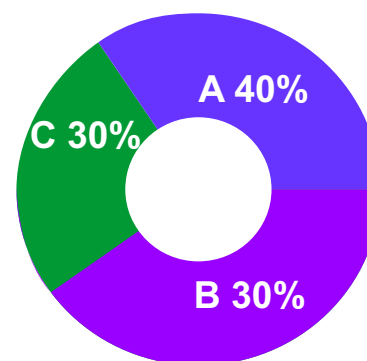


GROUP: I, PAPER: 8

COST ACCOUNTING **(CAC)**

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Your Preparation Quick Takes



Syllabus Structure

- A Introduction To Cost Accounting **40%**
- B Methods of Costing **30%**
- C Cost Accounting Techniques **30%**

Learning Objectives:

- Before taking the examination, it is necessary to read thoroughly the study material first.
- After that select the suitable text book or reference books available in the market for your further study and follow them.
- Next, follow the question papers of previous years and you will be able to get a general idea about the trend or pattern of questions generally set for this type of examination.
- So, if you want to score high marks then along with practical problems you have to answer properly the theoretical part.
- Due to lack of theoretical concepts they cannot score good marks not only in the theoretical part but also in tricky problems.
- Prepare notes on the theoretical part to improve your performance in the examination.

COST ACCOUNTING

Now a days we are living in a competitive world where there is also scarcity of natural resources. The urgent need of the day is to utilize the resources efficiently. The roll of Cost Accountants in this regard plays a vital role all over the world. Starting as a branch of Financial Accounting, Cost Accountancy has made a remarkable progress during the last few decades.

A critical study of theory as well as solving the practical problems is very much essential for securing good marks in the exam. The students are requested to go through the theoretical part first for easy understanding the topic and then try to solve the problems that are in exercise. Start from Chapter one and try to complete the other chapters serially as this will enable you to understand better the succeeding chapters. Always try to remember that in professional examinations, emphasis is given on testing comprehension, self expression, understanding and ability to apply knowledge in divergent situation. Success of these examinations mainly depends on student's perseverance, seriousness of study, regularity and through practice.

The following **suggestions** are given based on my long term experience -

1. A students should have a well defined plane for completing the syllabus as well as its revision.
2. Try to go through your Study Note and know the syllabus properly.
3. A plane should be developed for completing the syllabus within stipulated time.
4. Try to analyze the trends of setting questions.
5. Time schedule with specified activities, which will help you to avoid procrastination.
6. Clarity of concepts and self expression is essential for successful result.
7. Improve your speed by practice and revision to be able to attempt all questions in limited time.
8. Try to write down all the important terms in your own words and practice it regularly.
9. The student should remember that all objective type questions should be answered as it will carry 100% marks.
10. Try to develop a practice of reading the questions minutely, underlining and understanding the specific requirements.

The main purpose of our study, Paper - 8 are :---

- a) Understanding the concept of Cost
- b) Determining the Cost of product or service
- c) Understanding Standard Cost
- d) Applying the concept of Marginal Costing
- e) Formulating of business strategy and operational planning.

Here the total syllabus is divided into **Six Chapters**. The first chapter deals with the basic concept of cost accounting, beside its other two branches viz, Financial Accounting and Management Accounting. The second chapter relates to the Elements of cost in details. We know the three major elements of costs are - Material, Labour and Overheads. Here the major elements of costs are discussed elaborately and analyzed element-wise with sufficient number of examples. Material consists of the major part of total cost of a product, hence it is necessary to control this cost very carefully. You should read the scope and objectives of different Cost Accounting Standards in details. It will help to grasp the concept of cost accounting easily.

The third chapter is associated with Cost book-keeping, which includes integrated accounting system also. This chapter is very easy to understand but the process is lengthy. In practice, different accounts are to be opened, but it is not necessary to give much effort to complete its solution.

The next chapter deals with Contract Costing. This method of Costing viz., Job/Batch/Contract is very much essential and important for the purpose of Intermediate Examinations. Students often face difficulty in recommending the profits to be taken into account in case of incomplete contract. There are some standard norms for computation and recognition of profit /loss of incomplete contract. Students sometimes experience difficulty in recommending the amount of profit to be taken into account during a period for long-term contract. Make sure that you are familiar with various methods/formulas for different stage of completion and share of profit. Students are also advised to go through the topic " Profit on incomplete contracts based on SSAP-9. ". Problems on escalation clause are also very important for this chapter.

This chapter is related to Operating Costing. In 'Operating Costing' we have to find out operating cost per unit of output. This chapter also includes 'Transport Costing', 'Hospital Costing', 'Power House Costing', 'Hotel/ Hostel Costing' etc. Finding out the 'Composite Unit' is very important for finding the solution of these type problems. Here suitable cost unit to be used for cost ascertainment purpose.

The chapter Marginal Costing deals with the nature and behavior of cost and their effects on profitability of a concern. It relates to find out Cost-volume-profit relationships. The main thrust should be to follow the wording and determine the desired impact of cost on profitability. The basic part of the problem is to solve Break-even-point. Sometimes a question gives details of costs but not the split into fixed and variable elements. Students are advised to segregate total costs into fixed and variable elements using high-low method. For a product of different sales-mix, contribution per unit of key factor should be found out and then different options should be marked on the same basis, i.e. contribution per unit of key factor. For easy understanding you have to solve various types of problems.

The chapter 'Variance Analysis' deals with creating responsibilities and identifying the areas of exceptions. The main purpose of variance analysis is to enable the management to improve the operation for effective utilization of resources and to increase the efficiency by reducing costs. Some students are afraid of this important chapter only because of different formulae for different analysis. Only careful study and realization of the requirement in the problem can eliminate such difficulties. Finally the step should be taken based on the causes of variance.

The next chapter is related to 'Budget and budgetary control'. The term budget can be expressed as a pre-determined plan of action in details. Budgetary control requires preparation of 'Flexible Budget', 'Functional Budgets' and 'Cash Budget' for taking necessary actions. Both theoretical and practical problems may be set from this chapter. The students can easily understand the problems, if theory remains clear. The students are also suggested to go through the theoretical parts-like, concept of Zero based Budgeting, behavior and classification of Budgets etc. very carefully. All functional budgets are summarized into master budget consisting of a Budgeted Profit and Loss Account, a Balance Sheet and Cash Flow Statement. A common mistake is to incorrectly deduct closing stocks and opening stocks when preparing Production and Material Purchased Budget.

In order to bring uniformity and consistency in classification, measurement and assignment of costs CAS - 1 to 24 should read carefully. Questions are generally set from any one or two standards.

For your practice I have suggested some questions in M.C.Q. form which is related to an over view of Cost Accounting concepts. Practice the following problems for developing your knowledge and securing good marks.

1. State which of the following statements are correct or incorrect:

- (I) The method of costing used in a refinery is "process costing".
- (II) In cost accounting, like financial accounting, absolute accuracy is aimed at.
- (III) To design a costing department is not difficult, study another similar organization and study a book on costing and you know what to do.
- (iv) Conversion costs and overheads are interchangeable terms.
- (v) Notional Costs are not included while ascertaining cost.
- (vi) Cost Accounting is not needed by a non-profit organization such as a hospital.
- (vii) If the management is not interested in costing information, there should be no costing department.
- (viii) Notional Costs and Imputed Costs mean the same thing.
- (ix) Standard costing tells us what the cost should be.
- (x) Historical costs are useful solely for estimating cost that lie ahead.
- (xi) Cost is a fact, price is a policy.
- (xii) Basically there are two methods of costing viz. (1) Specific Order Costing; and (2) Operation Costing.
- (xiii) Cost Accounting is nothing more than a detailed analysis of expenditure.
- (xiv) Cost Accounting is nothing but a postmortem of past costs.
- (xv) Cost Accounting provides cost information to all those who are external to the business.
- (xvi) Both financial and cost accounts are written up with the same basis documents.
- (xvii) Cost Accounting is not needed if price is beyond the control of the firm.
- (xviii) Cost Accounting assists financial accounting with regard to the valuation of inventory.
- (xix) The scope of cost accounting includes cost ascertainment, cost presentation and cost control.
- (xx) Cost Accounting helps in the ascertainment of cost beforehand.
- (xxi) Cost Accounting provides information for ascertaining the financial position as on a particular date.
- (xxii) Cost Accounting helps in controlling cost.
- (xxiii) Since pricing is a matter of managerial policy, cost information is useless for price fixation.
- (xxiv) A cost unit is the same as a cost centre.
- (xxv) The cost converting raw materials to finished products is known as conversion cost.

Ans. True :- (I), (iii), (viii), (ix), (x), (xi), (xii), (xvi), (xviii), (xix), (xx), (xxii).

False :- (ii), (iii), (iv), (v), (vii), (xiii), (xiv), (xv), (xvii), (xxi), (xxiii), (xxiv), (xxv).

2. Specify the method of costing applicable to the following industries :

- | | |
|-------------------|--------------------|
| (i) Ship-building | (xi) Aerated water |
| (ii) Dairy | (xii) Canteen |
| (iii) Printing | (xiii) Motor car |
| (iv) Bicycles | (xiv) Chemicals |
| (v) Medicines | (xv) oil |

- | | |
|---------------|----------------------|
| (vi) Hospital | (xvi) Road transport |
| (vii) Radio | (xvii) Sugar |
| (viii) Cement | (xviii) Toy making |
| (ix) Textiles | |
| (x) Brewery | |

- Ans. (i) Contract (ii) Process
 (iii) Job (iv) Multiple
 (v) Batch (vi) Operating
 (vii) Multiple (viii) Unit
 (ix) Process (x) Unit/Process
 (xi) Unit (xii) Operating
 (xiii) Multiple (xiv) Process
 (xv) Process (xvi) Operating
 (xvii) Process (xviii) Batch

3. Match the following :

- | | |
|---|--|
| (i) The practice of charging all costs to Product | (i) Facilitates greater degree of control over cost |
| (ii) Standard costing | (ii) Absorption costing |
| (iii) A cost unit which consists of a group Of similar products | (iii) Historical costing, estimating costing and standard costing. |
| (iv) Cost classification | (iv) Batch |
| (v) Cost accounting involves | (v) Facilities computation of cost variances. |
| (vi) A group of identical items maintaining Identity through one or more stages Of production . | (vi) Analysis and synthesis of costs . |
| (vii) What the costs are, what they are Likely to be , and how they should be Distinguished , respectively. | (vii) Product Group |

[Ans . (i), (ii) : (ii), (v); (iii), (vii); (iv), (i); (v), (vi); (vi), (iv); (vii),(iii).]

4. Point out the statements which are false - (F)/Correct® :

- Abnormal cost is controllable.
- Cost of production is equal to prime cost plus work cost.
- Variable cost increases as the fixed cost.
- Financial accounting provides information for cost control.
- Direct cost is one which can be conveniently identified with and charged to a particular unit of cost.
- Total variable cost does not increase in total proportion to output.
- Variable cost per unit remains constant.
- Sunk costs are relevant for decision -making.
- Costing and cost accounting are the same.
- Fixed cost does not change in the same proportion in which output change.
- Administration expenses are mostly fixed.
- Discremental cost means the cost of an added unit.
- Standard costs tell as what the cost is.
- Period costs are not assigned to product.
- Marginal cost is not at all helpful to management for decision making.
- Fixed cost per unit decreases with rise in output and increases with fall in output.
- Cost centre and cost unit are the same.

[Ans. (i) C (ii) F (iii) F (iv) F (v) C (vi) F
 (vii) C (viii) F (ix) F (x) F (xi) C (xii) F
 (xiii) F (xiv) C (xv) F (xvi) C (xvii) F

5. Which of the following is correct?

- A. Which cost system description applies to the manufacture of 20 engraved doors for the new clubhouse at a golf course?
 (i) Contract (ii) Process (iii) batch (iv) Service
- B. An important feature of a cost centre is that :
 (i) It uses only monetary information.
 (ii) It has clearly defined boundaries .
 (iii) It must be one specific location only.
 (iv) It must be an area of the business through which products pass.
- C. Prime cost may be currently defined as :
 (i) The sum of direct materials and direct labour cost with all other costs excluded.
 (ii) The total of all cost items which can be directly charged to product units.
 (iii) The total cost incurred in producing a finished unit.

- (iv) The sum of the large cost item in a product cost.
- D. Which of the following is a cost behavior-oriented approach to producing costing?
 (i) Absorption Costing (ii) Marginal costing
 (iii) Process costing (iv) Job order costing
- E. In a process Cost system the unit cost is computed for a
 (i) Job (ii) Department
 (iii) Batch of goods (iv) Category of goods
- F. The Cost of goods sold under a periodic cost accumulation system is equal to the
 (i) Cost of goods available for sale less ending finished goods inventory.
 (ii) Cost of goods available for sale plus beginning finished goods inventory
 (iii) Cost of goods manufactured plus beginning finished goods inventory.
 (iv) Cost of goods sold manufactured less beginning finished goods inventory.
- G. The Cost of goods manufactured, under a periodic cost accumulation system, is equal to the
 (i) Beginning finished goods inventory plus purchase.
 (ii) Beginning work-in-process plus cost of goods in process during the year.
 (iii) Cost of goods put into production plus beginning work-in-process less ending work-in-process.
 (iv) Cost of goods sold less beginning work-in-process.
- H. For external financial statement purpose, inventories must be reported at
 (i) Standard costs (ii) Actual costs
 (iii) Period costs (iv) Direct costs
- I. The term "conversion costs" refers to
 (i) Manufacturing costs incurred produce units of output.
 (ii) All costs associated with manufacturing other than direct labour costs and raw material costs.
 (iii) Cost which are associated with marketing, shipping, warehousing and billing activities.
 (iv) The sum of direct labour cost and all factory overhead costs.
 (v) The sum of raw material costs and direct labour costs.
- J. The term "prime costs" refers to
 (i) Manufacturing costs incurred to produce units of output.
 (ii) All costs associated with manufacturing other than direct labour costs and raw material costs.
 (iii) Costs which are predetermined and should be attained.
 (iv) The sum of direct labour costs and all factory overhead costs.
 (v) The sum of direct material cost and direct labour costs.
- K. The term "variable costs" refers to
 (i) All costs which are likely to respond to the amount of attention devoted to them by a specified Manager.
 (ii) All costs which are associated with marketing, shipping, warehousing and billing activities.
 (iii) All costs which do not change in total for a given period of time and relevant range but become progressively smaller on a per unit basis as volume increases.
 (iv) All manufacturing costs incurred to produce units of output.
 (v) All costs which fluctuate in total in response to small change in the rate of utilization of capacity.
- L. The term "costs" refers to
 (i) An asset that has given benefit and is now expired.
 (ii) The price of products sold or services rendered.
 (iii) The value of the sacrifice made to acquire goods or service.
 (iv) An asset that has not given benefit and is now expired.
 (v) The present value of future benefits.
- M. The term "sunk costs" refer to
 (i) Past costs that are now irrevocable.
 (ii) Cost that are directly influenced by unit manager.
 (iii) Costs that should be incurred in a particular production process.
 (iv) Costs that may be eliminated if some economic activity is changed or deleted.
 (v) Benefits lost from rejecting the next best alternative.
- N. The process of charging factory overhead to work-in-process based on a predetermined applications rate multiplied by actual input is known as :
 (I) Normal costing (ii) Standard costing
 (iii) Actual costing (iv) Product costing

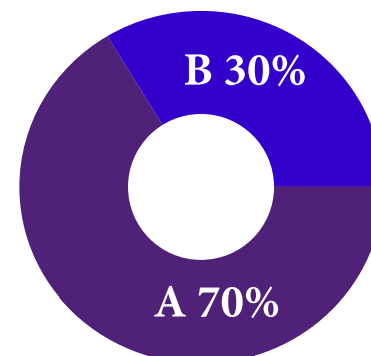
Ans. A(iii), B(ii), C (I), D (ii), E (ii), F (I), G (iii), H (ii), I (iv), J (v), K (IV), L (iii), M (I), N (ii).



GROUP: II, PAPER: 9, Part- i
OPERATIONS
MANAGEMENT & STRATEGIC
MANAGEMENT (OMSM)
Operations Management

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Your Preparation Quick Takes



Syllabus Structure

A Operations Management 70%
B Strategic Management 30%

Learning Objectives:

- Operations Management develops skills in problem solving, project management, communication, and managing effectively in team-based work environments.
- Eventually, student's ability for leadership positions in the production and service industries gets increased.
- To solve business processes, it helps to apply knowledge of fundamental concepts of operations management and helps to apply knowledge of approaches to operational performance improvement.

Operations Management

In this issue we will discuss some MCQ problems:

Q1. Which one of the following is not a major functional areas of a business organisation?

- (a) Operations
- (b) Finance
- (c) Human Resource
- (d) Marketing

Q2. Which one of the following is correct?

- (a) The term operations management relates to the management of production processes that create goods and consume services
- (b) The term operations management relates to the management of systems or processes that create demand for goods and services
- (c) The term operations management relates to the management of production processes that create supply chain for goods
- (d) The term operations management relates to the management of systems or processes that create goods and/or provide services.

Q3. Which one of the following is not a difference between goods production and service operations?

- (a) The nature and consumption of output
- (b) Uniformity of input
- (c) Labour turnover of jobs
- (d) Measurement of productivity

Q4. A supply chain is

- (a) The sequence of organizations, including their facilities, functions, and activities, that are involved in producing and delivering a product or service.
- (b) The sequence of organizations, including their facilities, functions, and activities, that are involved in producing a product or service.
- (c) The sequence of organizations, including their productions, marketing, and other activities, that are involved in producing and delivering a product
- (d) The sequence of organizations, including their manpower strength, asset base, and operational effectiveness, that are involved in producing and delivering a product or service

Q5. Which one of the following is not an attribute of a model?

- (a) Model is time consuming and expensive in comparison to face real situation without model building
- (b) Model helps taking inferences about a problem without actually manipulating the real situation
- (c) Models are used to assist in various decision-making scenarios.
- (d) Models provide an abstraction and simplification of reality

Q6. Which one of the following is not a feature of higher degrees of customisation in process planning?

- (a) More complexity in terms of production
- (b) Highest labour content of jobs
- (c) Many different forms of layout
- (d) Lower productivity

Q7. Which one of the is not a trade-off you would consider for decision of taking company's own delivery van versus outsourcing

- (a) Initial cost,
- (b) Convenience
- (c) Nature of the goods
- (d) Upkeep

Q8. Craft production

- (a) Involves producing low variety of customized goods, high volume output with skilled workers, and utilizing special-purpose equipment
- (b) Involves producing high variety of customized goods, low volume output with skilled workers, and utilizing general-purpose equipment
- (c) Involves producing high variety of customized goods, high volume output with skilled workers, and utilizing special-purpose equipment
- (d) Involves producing low variety of customized goods, low volume output with skilled & unskilled workers, and utilizing general-purpose equipment

Q9. Workers may not like to work in a lean production environment because

- (a) There are fewer opportunities for employee advancement
- (b) There are more worker stress due to higher levels of responsibility
- (c) There are greater variability and expansion of job requirements
- (d) All the above

Q10. Soft drink bottling is an example of

- (a) Lean production
- (b) Mass production
- (c) Craft production
- (d) JIT production

Q11. Value added means

- (a) The difference between the cost of inputs before the transformation process and the value or the price of output after the transformation process.
- (b) The difference between the cost of inputs before the transformation process and the margin on output after the transformation process.
- (c) The difference between the cost of material inputs and labour inputs during the transformation process
- (d) The difference between the cost of inputs before the transformation process and the price of incidentals during the transformation process.

Q12. Which one of the following is not a feature of outsourcing?

- (a) Outsourcing can result in lower costs
- (b) Outsourcing generally results in layoffs
- (c) Outsourcing allows businesses to focus on their core business
- (d) Outsourcing generally gives more control of outsourced operation

Q13. Sustainability means

- (a) Service and production processes that use resources in ways that do not harm ecological systems
- (b) Service and production processes that use resources in ways that do not harm ecological systems that support both current and future human existence.
- (c) Service and production processes that use resources in ways that replenish ecological systems to support both current and future human existence.
- (d) Service and production processes that use resources in ways that modernizes ecological systems to give long lasting effect to business operation

Q14. Interchangeable parts are

- (a) Parts of a product made to such precision that they can be easily custom fitted
- (b) Parts of a product made with such a sophisticated technology that they cannot be reverse engineered
- (c) Parts of a product made to such precision that they do not have to be custom fitted
- (d) Parts of a product made with indigenous technology that they could reduce foreign dependency

- Q15.** This production system has led to a flattening of the organisational structure with fewer level of management. The system is
- (a) Lean production
 - (b) Mass production
 - (c) Craft production
 - (d) JIT production
- Q16.** Which one of the following is an ethical issue in respect of Quality aspect of operations management?
- (a) Providing adequate training
 - (b) Avoiding hidden defects
 - (c) Respecting workers' right
 - (d) Promising a long term job when that is not
- Q17.** If a decision-maker decides to increase the level of inventory, he or she has to consider
- (a) The trade-off between increased level of customer service and the additional inventory carrying cost
 - (b) The trade-off between increased level of customer service and the completion time for production
 - (c) The trade-off between completion time for production and time to deliver the same to customer
 - (d) The trade-off between ordering point and the receipt of delivery
- Q18.** Which one of the following is not a key issue for today's business operation?
- (a) Economic Conditions
 - (b) Quality problem
 - (c) Risk Management
 - (d) Resource Movement
- Q19.** Which one of the following is not correct?
- (a) Increasing globalization has expanded the physical length of supply chain
 - (b) Increasing importance of e-business has added new dimensions to business buying and selling
 - (c) Competitive pressures led to longer product development cycles
 - (d) Inventories play a major role in the success or failure of a supply chain
- Q20.** Which one of the following is a key element of supply change management?
- (a) Customers
 - (b) Financial Planning
 - (c) Forecasting technique
 - (d) Resource availability
- Q21.** Which one of the following is not a major decision area in supply chain management?
- (a) Location
 - (b) Technology
 - (c) Production
 - (d) Distribution
- Q22.** Enterprise Resource Planning is
- (a) Used to provided information sharing in real time among customers and their major delivery partners
 - (b) Used to provided information sharing in real time among organisation and their major supply chain partners
 - (c) Used to provided information sharing in real time among organisation and their major labour supply providers
 - (d) Used to provided information sharing in real time among organisation and their major cloud computing service providers
- Q23.** Production and Distribution decisions focus on
- (a) What customers want

- (b) When customers want
- (c) How much customers want
- (d) All the above

Q24. The main advantage of this type of production is the flexibility to produce a wide variety of outputs providing many choices for the need of customers. Which one of the following is an example to this production system?

- (a) Mail Sorting
- (b) Machine Shop
- (c) Automobiles
- (d) Paper

Q25. Which one is a result of Undersupply?

- (a) Potential loss of business
- (b) Increased cost of dispose
- (c) Additional Storing cost
- (d) Sale at reduced price

Answer:

Q1.	C	Q2	d	Q3	c	Q4	a
Q5	a	Q6	b	Q7	c	Q8	b
Q9	d	Q10	b	Q11	a	Q12	d
Q13	b	Q14	c	Q15	a	Q16	b
Q17	a	Q18	d	Q19	c	Q20	a
Q21	b	Q22	b	Q23	d	Q24	b (Craft)
Q25	a						

Suggestions:

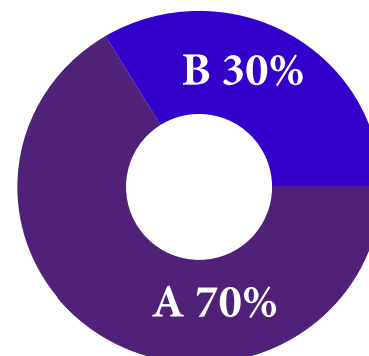
*This lesson is prepared purely from teachings imparted by the Guide book issued by Institute. The study guide on Operations Management issued by Institute is to be studied thoroughly to understand the preliminaries of Operations management For supplementary readings one can refer Operations Management by R.S. Russell & B.W. Taylor, Operations Management by J Stevenson.
Best Wishes*



GROUP: II, PAPER: 9, Part- ii
OPERATIONS
MANAGEMENT & STRATEGIC
MANAGEMENT (OMSM)
Strategic Management

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Your Preparation Quick Takes



Syllabus Structure

A Operations Management 70%
B Strategic Management 30%

Learning Objectives:

- The course will follow in general terms the strategy development process from audit to formulation of strategic plans, their implementation and evaluation.
- Students will be introduced to strategic management in a way so that their understanding can be better.
- The ultimate aim of the course is to develop students as future managers who will add value by 'strategically managing' the organisation's resources and capabilities.

STRATEGIC MANAGEMENT

- Which strategy is about how to compete successfully in particular markets?
 - Business-level strategy**
 - Corporate-level strategy
 - Alliance-based strategy
 - Operational-level strategy.
- Which of the following is not one of the four layers of organizational culture?
 - Values
 - Beliefs
 - Paradigm
 - History.**
- An organization's general expression of its overall purpose is known as its:
 - Objective
 - Vision
 - Goal
 - Mission.**
- What is meant by focused differentiation?
 - Providing a high perceived value service or product to a selected market segment that justifies a substantial price premium**
 - Simultaneously seeking to achieve differentiation and a price lower than that of competitors
 - Concentrating on a particular feature of a product or service to achieve differentiation
 - Concentrating on differentiation as the primary means of achieving competitive advantage.
- Which one of the following best explains the aim of collaboration?
 - To achieve advantage
 - To avoid competition
 - Neither to achieve advantage nor to avoid competition
 - To achieve advantage or avoid competition.**
- A film company and a music recording company may choose to combine, believing that the result will be more effective than the sum of the two component parts. What term is used for the benefits?
 - Synergy**
 - Diversification
 - Integration
 - Consolidation.
- A particular business unit operates in a low-growth, mature market, in which it has a large market share. What term is used in the BCG matrix for this business?
 - Ballast
 - Cash cow**
 - Star
 - Harvest/divest.
- Some brands, such as Coca-Cola, are able to successfully market in very similar ways around the world. What is this called?
 - Global customization
 - Scope economies
 - Transferable marketing**
 - Favorable logistics.
- What name is given to the purchase of components and services from the most appropriate suppliers around the world regardless of location?
 - International compartmentalization
 - Multidomestic marketing
 - Global sourcing**

- D. The global-local dilemma.
10. Which international strategy has a dispersed configuration and low levels of coordination of international activities?
- Transnational
 - Global
 - Multidomestic**
 - Export.
11. Which of the following is most likely to be a key issue during the start-up stage?
- Releasing capital as a reward
 - Changing to intrapreneurship
 - Sources of capital**
 - Changing from the role of entrepreneur to manager.
12. What name is given to people who set up a succession of enterprises, investing the capital raised on exit from an earlier venture into new growing ventures?
- Serial entrepreneurs**
 - Serial venturists
 - Venture capitalists
 - Entrepreneurs.
13. A competitor finds it difficult to identify the basis for an organization's competitive advantage. What term is used for this situation?
- Interdependent causality
 - Causal dependency
 - Causal ambiguity**
 - Ambiguous intercausality.
14. What is the key outcome from PESTEL analysis?
- Five Forces
 - Identification of the drivers for change**
 - Critical success factors
 - Possible scenarios.
15. When using PESTEL it is easy to get overwhelmed by a multitude of details. Instead, it is important to step back and identify the:
- Key drivers for change**
 - Relevant Five Forces that exist
 - Complex links between each of the factors
 - Market segments.
16. The five forces that affect the level of competition in an industry are:
- the threat of entry; the power of buyers; the power of suppliers; the threat of substitutes; and government action.
 - the threat of buyers; the power of entry; the power of substitutes; the threat of suppliers; and the threat of recession.
 - the threat of recession; the power of buyers; the power of suppliers; the threat of management failure; and competitive rivalry.
 - the threat of entrants; the power of buyers; the power of suppliers; the threat of substitutes; and competitive rivalry.**
17. When identifying strategic groups, which two headings can the relevant characteristics most usefully be grouped under?
- Resource commitment**
 - Competitiveness
 - Scope of activities**
 - PESTEL factors.
18. Strategy involves:
- Senior managers and board members
 - Managers at all levels**
 - Senior and middle managers
 - Senior management.
19. A design view of strategy refers to:
- the pulling together of ideas that develop from different parts of the organization.
 - the pulling together of the different decisions made throughout an organization, so as to develop a coherent overall strategy.
 - the systematic, rational way in which strategy is always developed in an organization.
 - the deliberate positioning of the organization through a rational, analytic, structured and directive process.**
20. Which of the following accurately categorizes the machines an organization uses?
- Tangible, financial resources
 - Intangible, financial resources
 - Tangible, intellectual capital
 - Tangible, physical resources.**



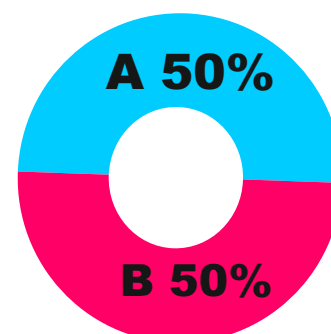
GROUP: II, PAPER:10

COST & MANAGEMENT

ACCOUNTING AND FINANCIAL
MANAGEMENT(CMFM)

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Your Preparation Quick Takes



Syllabus Structure

A Cost & Management Accounting 50%

B Financial Management 50%

Learning Objectives:

The paper Cost & Management Accounting and Financial Management (Group II; Paper 10) is a unique blend of theoretical elaborations and practical illustrations. The aim of this paper is to equip the students with a working level knowledge regarding the two disciplines and prepare a ground for a few advanced level papers like Strategic Financial Management (Final Group 3: Paper 14), Strategic Cost Management decision Making (Final Group 3: Paper 15) and Strategic Performance Management and Business Valuation (Final Group 4: Paper 20) in the CMA Final Course. The entire syllabus of the paper is segregated into two segments namely Cost & Management Accounting (Section A: Full Marks 50) and Financial Management (Section B: Full Marks 50). Each of the individual sections has further been divided into five chapters each highlighting a specific aspect of the subject concerned. In this section of e- bulletin we shall have a series of discussion on each of these chapters to provide a meaningful assistance to the students in preparing themselves for the examination at the short end and equip them with sufficient knowledge to deal with real life complications at the long end.

STANDARD COSTING

Computation of requisite details (through diagrams) from given variances; Reconciliation of Actual Profit and Budgeted Profit.

Illustration

ABC Ltd; adopts a Standard Costing System. The standard output for a period is 20,000 units and the standard cost and profit per unit is as under:

	Rs.
Direct Material (3 units @ Rs. 1.50)	4.50
Direct Labour (3hrs. @ Rs. 1.00)	3.00
Direct expenses	0.50
Factory overheads : Variable	0.25
Fixed	0.30
Administration overheads	0.30
Total Cost	8.85
Profit	1.15
Selling Price (Fixed by government)	10.00

The actual production and sales for a period was 14,400 units. There has been no price revision by the government during the period.

The following are the variances worked out at the end of the period:

	Favourable (₹)	Adverse (₹)
Direct Material		
Price		4,250
Usage	1,050	
Direct Labour		
Rate		4,000
Efficiency	3,200	
Factory overegads		
Variable - Cost	400	
Fixed - Expenditure	400	
Fixed - Volume		1,680

Administration Overheads			
	Expenditure		400
	Volume		1,680

You are required to :

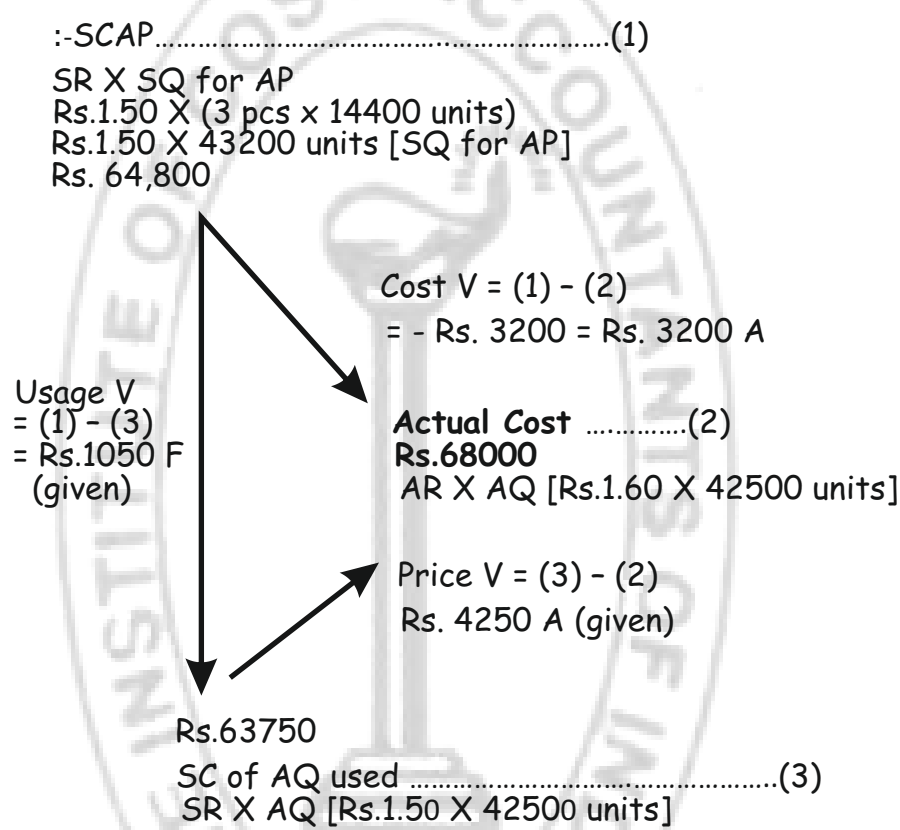
Ascertain the details of actual costs and prepare a Profit and Loss Statement for the period showing the actual Profit / Loss. Show working clearly.

Reconcile the Actual Profit / Loss with Budgeted Profit.

Solution

Working Note : 1

Direct Material



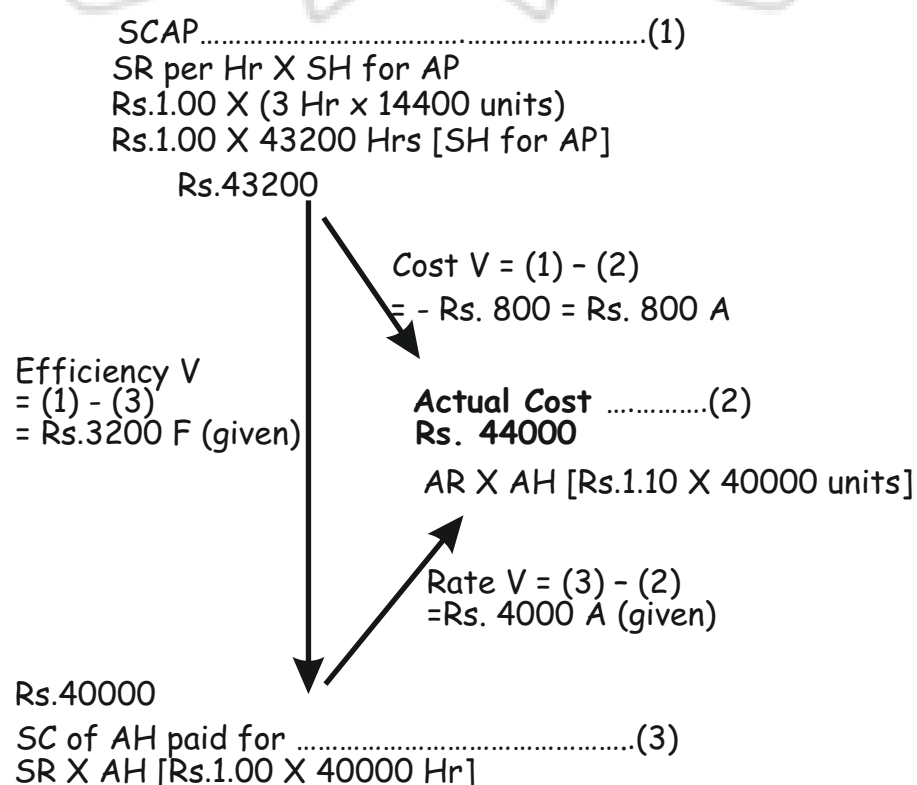
SCAP - Usage V = SC of AQ
 64800 - (+1050) = 63750
 Note : AQ = SC of AQ / SR per Unit
 = Rs.63750 / Rs.1.50
 = 42500 Units

SC of AQ - Price V = Actual Cost
 63750 - (-4250) = 68,000
 Note : AR = Actual Cost / AQ
 = Rs.68000 / 42500 Units
 =Rs 1.60

N.B. : Price Variance + Usage Variance = Cost Variance

Working Note : 2

Direct Labour



SCAP - Efficiency V = SC of AH paid for
43200 - (+3200) = 40000
Note : AH = SC of AH/SR per Hr
= Rs.40000 / Rs.1.00
= 40000 Hours

SC of AH paid for - Rate V = Actual Cost
40000 - (- 4000) = 44,000
Note : AR = Actual Cost / AH
= Rs.44000 / 40000 Hrs.
= Rs.1.10

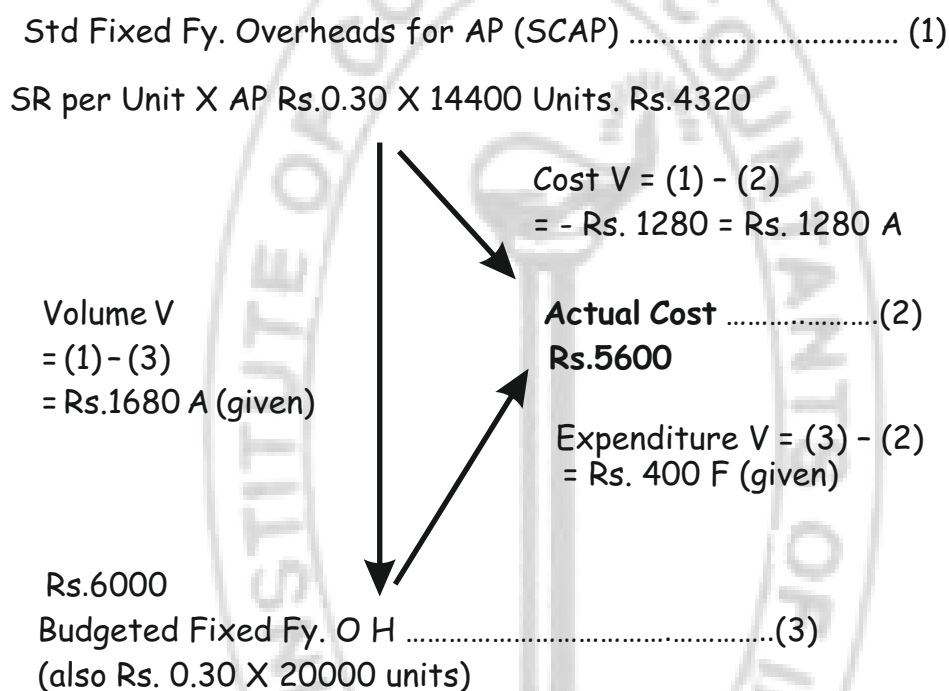
N.B. : Rate Variance + Efficiency Variance = Cost Variance

Working Note : 3
Variable Factory Overheads

Std V.O H for AP (or SCAP)
= SR per Unit X AP
= Rs.0.25 X 14400 Units = Rs.3600

SCAP - Cost V = Actual Cost
Rs. 3600 - (+Rs. 400) = Rs. 3200 (given)

Working Note : 4
Fixed Factory Overheads

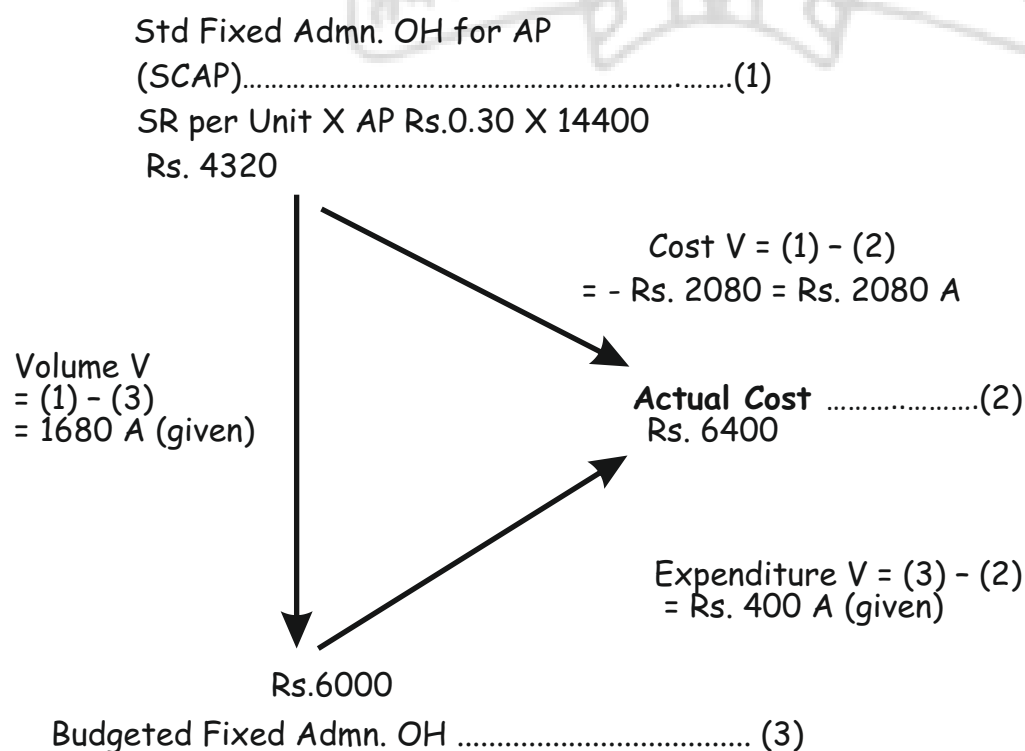


SCAP - Volume V = Budgeted Fixed Fy. OH
Or, 4320 - (-1680) = 6000

Budgeted Fixed Fy. OH - Expenditure V
= Actual Cost
6000 - (+400) = 5600

N.B. : Expenditure Variance + Volume Variance = Cost Variance

Working Note : 5
Fixed Admn. Overheads



$$\text{SCAP - Volume V} = \text{Budgeted Fixed Admin. OH} \\ 4320 - (-1680) = 6000$$

$$\text{Budgeted Fixed Fy. OH - Expenditure V} \\ = \text{Actual Cost} \\ 6000 - (-400) = 6400$$

N.B. : Expenditure Variance + Volume Variance = Cost Variance

* **Details of Actual Costs** gathered from the diagrams. Diagram for Variable Factory Overheads is not required to be drawn in this problem.

Working Note 1	Direct Material :	Rs. 68,000
Working Note 2	Direct Labour :	Rs. 44,000
	Direct Expenses:	Rs. 7,200
	[Re.0.50 X 14,400 Units]	
Working Note 3	Variable Factory OH :	Rs. 3,200
Working Note 4	Fixed Factory OH :	Rs. 5,600
Working Note 5	Fixed Admn. OH :	Rs. 6,400
	T O T A L :	Rs. 1,34,400

* **Profit and Loss Statement for the period**.....

Sales [14,400 Units @ Rs.10.00]	=	Rs.1,44,000
Actual Cost [as shown above]	=	<u>Rs.1,34,400</u>
Actual Profit	=	Rs. 9,600

* **Reconciliation of Actual Profit with Budgeted Profit**

Budgeted Profit [20,000 Units @ Rs.1.15]	=	Rs.23,000
Less : Sales Profit Volume V = SR of Profit (AQ - BQ) of Sales		
[Rs.1.15 (14,400 - 20,000) Units = Rs.1.15 x (-5600) Units]	=	<u>Rs. 6,440 A</u>
Standard Profit [Rs.1.15 x 14400 Units]		Rs.16,560
Cost Variances :-	(Rs.)	(Rs.)
Direct Materials :-		3200 A
	[Price V 4250 A]	
	[Usage V 1050 F]	
Direct Labour :-		800 A
	[Rate V 4000 A]	
	[Efficiency V 3200 F]	
Variable Fy. OH Cost V		400 F
Fixed Fy. OH		1280 A
	[Expenditure V 400 F]	
	[Volume V 1680 A]	
Fixed Adm. OH		2080 A
	[Expenditure V 400 A]	
	[Volume V 1680 A]	
Actual Profit		<u>Rs 6960 A</u>
		Rs. 9,600

Abbreviation used in the diagrams

V : Variance **AQ** : Actual Quantity

SC : Standard Cost **AR** : Actual Rate

Std : Standard	AH : Actual Hour
SCAP : Standard Cost of Actual	AP : Actual
SR : Standard Rate	AC : Actual Cost
SQ : Standard Quantity	OH : Overheads
SH : Standard Hours	Hrs. : Hours
	Fy : Factory

Solution through diagrams

A diagrammatic solution is characterized by arrows having spearhead in one side. The basic principle is that the amount standing at the spearhead side should always be deducted from that of the bottom side of the same. The resulting balance, if positive, signifies a Favourable Variance whereas a negative balance invariably signifies an Adverse or Unfavourable Variance, automatically. The principle involved can be clearly understood with a simple illustration following :

- 1) Rs.52 - Rs.48 = (+) Rs.4 = Rs.4 Favourable Variance, shown as Rs.4 (F)
- 2) Rs.52 - Rs.61 = (-) Rs.9 = Rs.9 Adverse or Unfavourable Variance, shown as Rs. 9 (A).

Some of the multiple advantages associated with the diagrammatic solution of Variance Analysis are noted hereunder :

- 1) Diagram works as a road map which leads one to reach destination in the easiest way.
- 2) Diagrams are simple, easy to understand and use.
- 3) Solution can be arrived at within the shortest possible time.
- 4) Nature of Variance (Favourable or Adverse) emerges automatically due to in-built system.
- 5) Inter - relationship of related Variances are clearly visible and understood.
- 6) Inconsistency in on-going computation is promptly detected for correction.
- 7) It is easier to memorize the diagrams than a bunch of confusion-raising formulae.

A sincere practice of Variance Analysis through diagrams over a couple of days is likely to pay a rich dividend.

EXERCISE (MCQ MODE)**Question - 1**

ABC Ltd has extracted the following details from the Standard Cost Card of one of its products.

- (1) Standard Cost of Actual Production (SCAP)=Rs.3,20,000
- (2) Usage Variance = Rs.10,000 (Adverse)
- (3) Actual Quantity of material used (AQ) = 16,500 Kg.
- (4) Standard Quantity (SQ) of material per unit = 2 Kg.

What would be the -

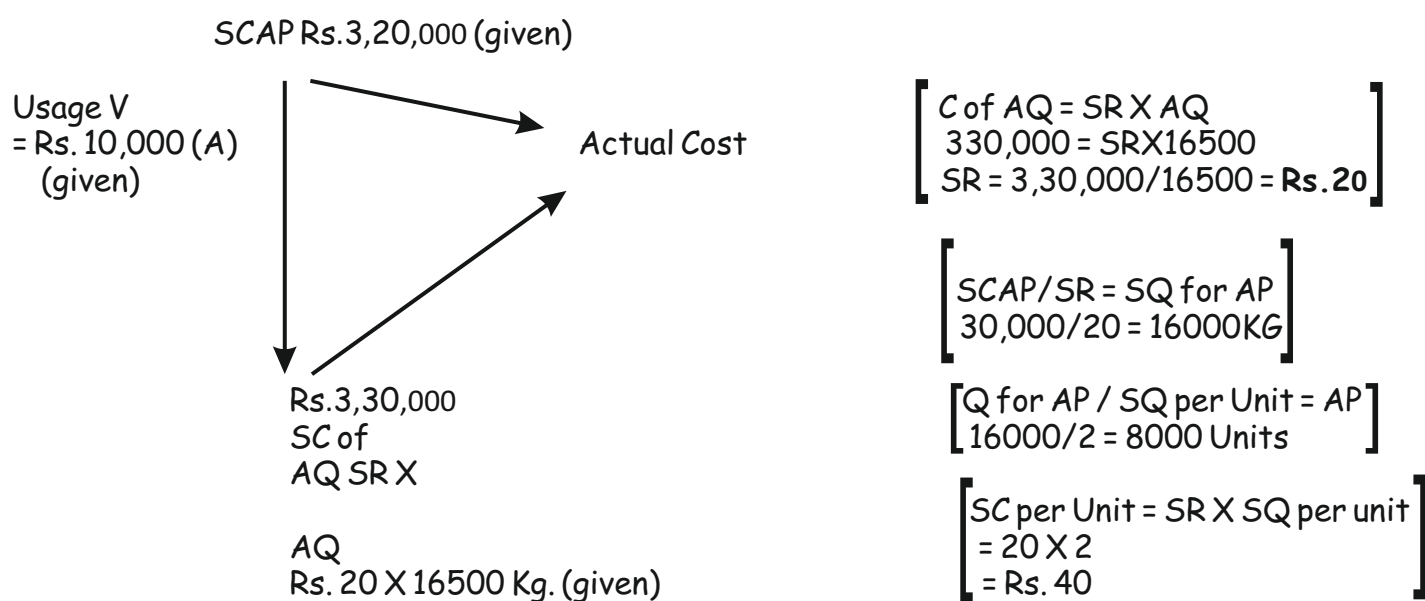
- (a) Standard Rate (SR) per Kg of material
(i) Rs.25 (ii) Rs.18 (iii) Rs.20 (iv) Rs.30
- (b) Standard Quantity (SQ) material for Actual Production (AP) (i) 18000 Kg. (ii) 16000 Kg. (iii) 15500 Kg. (iv) 14000 Kg.
- (c) Actual Production Units (AP)
(i) 6000 (ii) 7000 (iii) 8000 (iv) 9000
- (d) Standard Cost per unit
(i) Rs.30 (ii) Rs.35 (iii) Rs.40 (iv) Rs.45

Answer

- (a) Rs.20
- (b) 16000 Kg.
- (c) 8000 Units
- (d) Rs.40

Steps for solution with Working Notes :-

$$\text{SR X (Rs.20)} \quad \left[\text{SQ per unit X AP} \right. \\ \left. \text{2 Kg (given) X 8000 Units} \right] \quad \text{SQ for AP} \quad \left[\text{SCAP - Usage V = SC of AQ} \right. \\ \left. \text{16000 Kg.} \quad \text{3,20,000 - (-10,000) = 330,000} \right]$$



Question - 2

Following details are extracted from a Company's Standard Cost records in respect of one of its product 'P' .

- (1) Actual Production (AP) = 25,000 Units
- (2) Efficiency Variance = Rs.40,000 (Adverse)
- (3) Wage Rate Variance = Rs. 16,000 (Favourable)
- (4) Actual Hour (AH) = 1,60,000
- (5) Standard Wage Rate per Hour = Rs.4

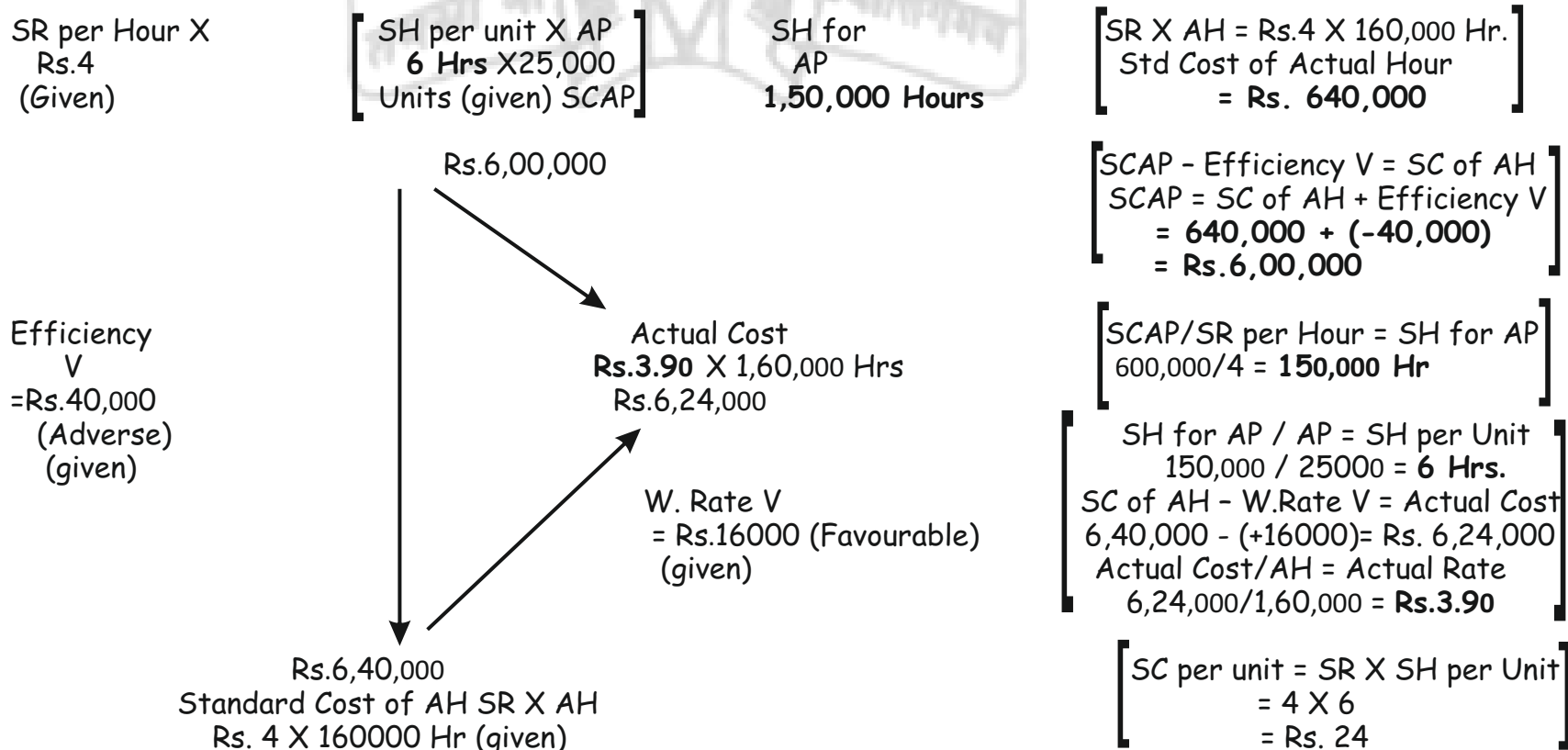
What would be the -

- (a) Standard Hour (SH) per unit
(i) 6 Hrs, (ii) $5\frac{1}{2}$ (iii) 5 Hrs. (iv) 4 Hrs.
- (b) Standard Hour for Actual Production
(i) 1,40,000 Hr. (ii) 1,50,000 Hr. (iii) 1,60,000 Hr. (iv) 1,65,000 Hr.
- (c) Actual Rate (AR) of Wages per Hour.
(i) Rs.8.20 (ii) Rs.6.00 (iii) Rs.5.40 (iv) Rs.3.90
- (d) Standard Cost per unit of production
(i) Rs.20 (ii) Rs.22 (iii) Rs.24 (iv) Rs.26

Answer

- (a) 6 Hours
- (b) 1,50,000 Hours
- (c) Rs.3.90
- (d) Rs.24

Steps for solution with Working Notes:-



Advice :

- (i) Try to visualize the location of the Answer in the Diagram as designed.
- (ii) Put the available data in proper places.
- (iii) Follow the path as demonstrated and
- (iv) Find the Answer automatically.



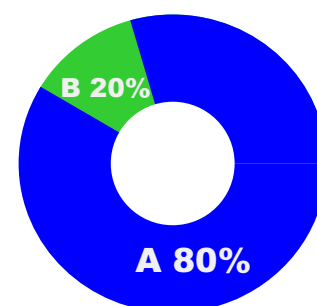


GROUP: II, PAPER:11

INDIRECT TAXATION (ITX)

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Your Preparation Quick Takes



Syllabus Structure

A Canons of Taxations -
Indirect Tax GST **80%**
B Customs Laws **20%**

Learning objectives:

- The concept of tax and the objective for its levy
- The concept of direct and indirect tax and the differences between the two
- The basic features of indirect taxes
- What are the principal indirect taxes
- As to how the indirect taxes are administered in the country

PRACTICE QUESTIONS ON GST

- 1) **Compensation to states under GST(Compensation to States) Act , 2017 is paid by**
 - a) Central Government from consolidated fund of India
 - b) Central Government from GST compensation fund of India
 - c) Central Government directly from the collection of compensation cess
 - d) GST Council under Constitution of India.
- 2) **While computing compensation to states, tax revenue of this tax/ these taxes is excluded**
 - a) petroleum crude, diesel, petrol, ATF and natural gas
 - b) Alcohol for human consumption
 - c) entertainment tax collected by local authorities
 - d) All of the above
- 3) **Input tax credit on compensation cess paid under GST(Compensation to States) Act , 2017**
 - a) is not available
 - b) is available
 - c) is available but not fully
 - d) is available after one year
- 4) **Input tax credit under GST(Compensation to States) Act , 2017 includes GST Compensation Cess charged on any supply of**
 - a) goods and/or services,
 - b) Goods imported
 - c) GST Compensation Cess payable on reverse charge basis;
 - d) All of the above
- 5) **Maximum rate of CGST prescribed by law for intrastate supply made is----**
 - a) 18%
 - b) 20%
 - c) 40%
 - d) 28%+cess
- 6) **Input tax credit on Compensation cess paid under GST (Compensation to States) Act, 2017 is available for payment of**
 - a) IGST only
 - b) IGST and CGST only
 - c) compensation under GST (Compensation to States) Act
 - d) None of the above

- 7) **IGST is payable when the supply is ---**
- Interstate
 - Intra-state
 - Intra- UT
 - All of the above
- 8) **Zero rated supply includes supplies made-**
- By SEZ unit in India
 - to SEZ unit in India
 - Both (a & (b above
 - None of the above
- 9) **With the introduction of GST, imports will be—**
- more expensive
 - cheaper
 - neutral with no change
 - None of the above
- 10) **The first committee to design GST model was headed by**
- Vijay Kelkar
 - Asim Das Gupta
 - Dr. Chidambaram
 - None of the above
- 11) **First discussion paper (FDP) which formed the basis for GST in 2009 was released by**
- Union Finance Ministry
 - Dr. Manmohan Singh
 - GST Council
 - Empowered Committee
- 12) **Roll out of GST requires constitutional amendment because—**
- existing laws were cascading
 - the powers of levy were exclusive
 - there are separate laws for goods and services
 - All of the above
- 13) **Works contract under GST is goods used in work relating to-**
- Immovable property
 - Both movable and immovable property
 - Immovable property treated as supply of service
 - Immovable property treated as supply of goods
- 14) **IGST deals with**
- Composition scheme
 - Time of supply
 - Service tax on imported services

- d) All of the above
- 15) The turnover limit of Rs. 50 Lakh for composition scheme is not applicable to the state of
- Himachal Pradesh
 - Assam
 - Uttarakhand
 - None of the above
- 16) A supplier is liable to get registered under GST if his aggregate turnover in a financial year crosses Rs. 20 lakh in a state or UT other than special category states if he is-
- an interstate supplier
 - an intra-state supplier
 - Electronic commerce operator
 - Person liable to pay GST under reverse charge
- 17) Registration under GST is not compulsory to-
- Casual taxable person
 - Input service distributor
 - Non-resident taxable person
 - None of the above
- 18) One of the following states does not fall under special category given under Art. 279A of the Constitution
- Himachal Pradesh
 - Uttarakhand
 - Chhattisgarh
 - Jammu & Kashmir
- 19) Exemption from registration is available to
- Central & State Govt. Departments
 - Agriculturists
 - a) & b) above
 - None of the above
- 20) Address for delivery
- Recipient address mentioned in the tax invoice
 - Recipient address mentioned in the delivery challan
 - Recipient address not necessary
 - Recipient address mentioned in the Gate pass
- 21) When President assent was obtained for central GST
- 18th April 2017
 - 22nd April 2017
 - 5th April 2017
 - 12th April 2017
- 22) What is applicability of GST

- a) Applicable all over India except Sikkim
- b) Applicable all over India except Jammu and Kashmir
- c) Applicable all over India
- d) Applicable all over India except Nagaland

23) Money means

- a) Indian legal tender
- b) Foreign currency
- c) Cheque/promissory note
- d) All the above

24) non-taxable territory means

- a) Outside taxable territory
- b) Inside taxable territory
- c) Inter-state taxable territory
- d) None of the above

25) Person includes

- a) Individual
- b) HUF
- c) LLP
- d) All the above

26) Goods and Service Tax council referred in which section

- a) 279A of the constitution
- b) 276 of the constitution
- c) 277 of the constitution
- d) 279 of the constitution

27) Weight age of vote for centre at GST council

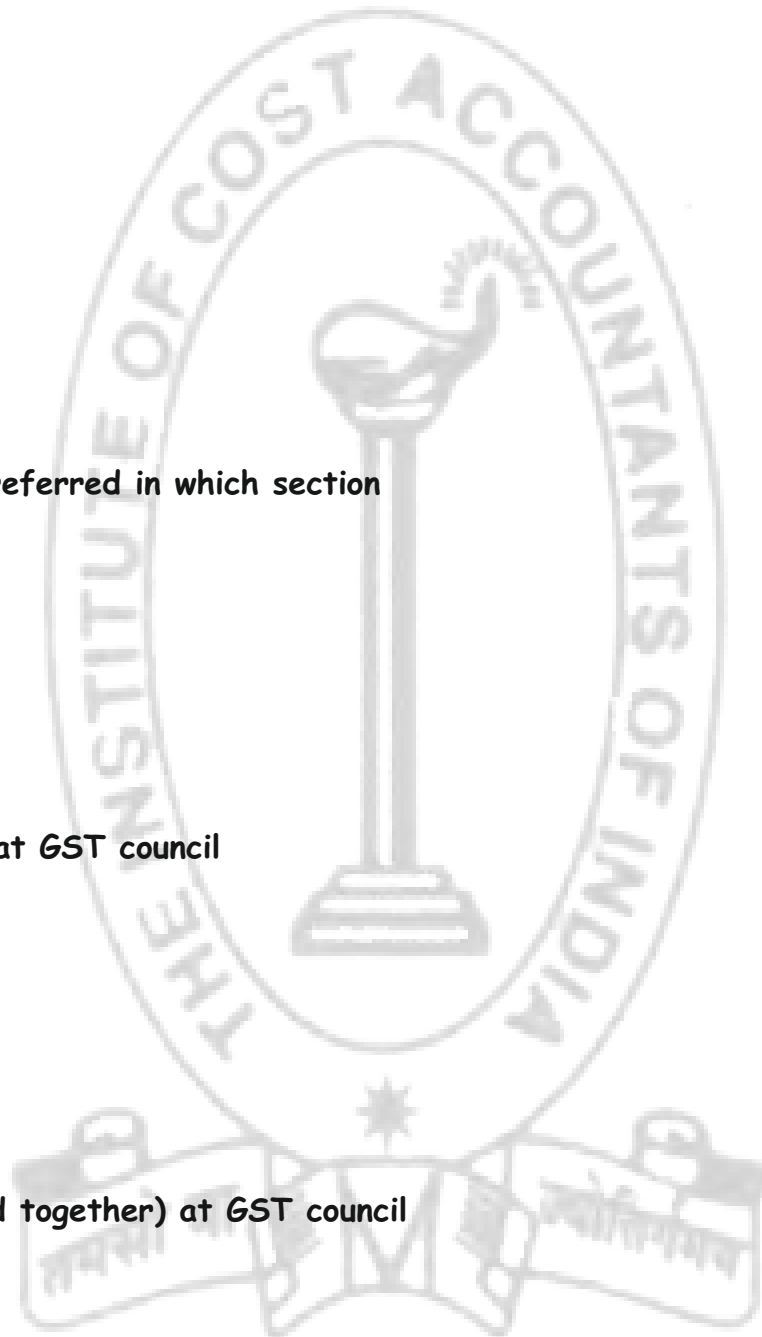
- a) 1/4th of total votes cast
- b) 1/3rd of total votes cast
- c) $\frac{1}{2}$ of total votes cast
- d) Only B

28) Weightage of States (combined together) at GST council

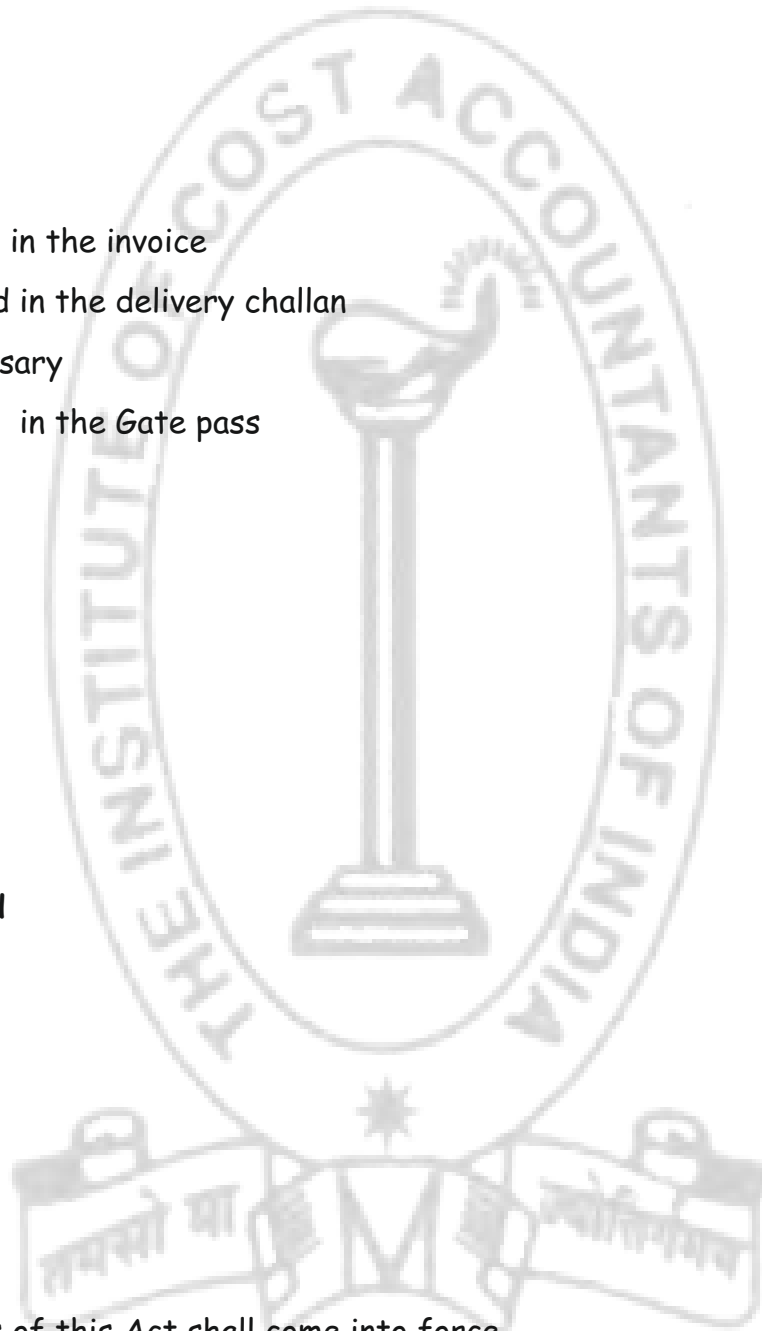
- a) 2/3rd of total votes cast
- b) 1/3rd of total votes cast
- c) 1/4th of total votes cast
- d) None of the above

29) Who is chairperson of GST council

- a) Finance secretary
- b) State Finance Minister
- c) Union Finance Minister
- d) None of the above



- 30) Taxable turnover of below Rs.1.5 crore assessee under control of
- Centre
 - State
 - Both a and b
 - Only c
- 31) Powers to declare certain activities/transactions as neither supply of goods nor of services
- Schedule I
 - Schedule III
 - Schedule II
 - Schedule IV
- 32) When GST council constituted
- 15.09.2016
 - 13.09.2016
 - 12.09.2016
 - 20.09.2016
- 33) Address for delivery
- Recipient address mentioned in the invoice
 - Recipient address mentioned in the delivery challan
 - Recipient address not necessary
 - Recipient address mentioned in the Gate pass
- 34) Agriculturist
- Individual or HUF
 - Individual and HUF
 - Partnership
 - All the above
- 35) Associated enterprise mentioned
- Income tax act 1961
 - Companies Act 2013
 - Central GST Act 2017
 - State GST Act 2017
- 36) Appointed day
- Date on which the provisions of this Act shall come into force
 - Date on which President assent
 - Date of which both houses passed the act
 - Date on which sent to Finance Ministry
- 37) Deemed exports mentioned in which section
- Section 137
 - Section 147
 - Section 142



d) Section 145

38) Quarter means

- a) March
- b) September
- c) December
- d) All the above

39) Taxable levy in case of manufacture under composite scheme

- a) Two percent
- b) Three per cent
- c) One per cent
- d) Half per cent

40) Whether person opted for composite scheme collect tax under GST

- a) No
- b) Yes
- c) Only A
- d) None of the above

41) Participation of ITC value chain in composite scheme

- a) With participation
- b) Without participation
- c) Either a or b
- d) None of the above

42) Taxes paid on

- a) Transaction value
- b) Manufacturing cost
- c) Both A and B
- d) None of the above

43) ITC available

- a) In the course or Furtherance of business
- b) Other than business exp
- c) Only A
- d) None of the above

44) Input tax credit availability

- a) On receipt of goods
- b) On payment of taxes paid by supplier to Govt.
- c) Taken to manufacturing site or availed services
- d) None of the above

45) Input tax on capital goods

- a) In one installment



- b) Partly five equal installments
- c) Only A
- d) Equally 10% every year

46) Appellate Tribunal mentioned in which section

- a) Section 109
- b) Section 105
- c) Section 103
- d) Section 119

47) Authorised representative referred in which section

- a) Section 110
- b) Section 116
- c) Section 119
- d) Section 106

48) Common portal referred in which section

- a) Section 136
- b) Section 146
- c) Section 143
- d) Section 149

49) Debit note and credit note mentioned in which section

- a) Section 36
- b) Section 39
- c) Section 34
- d) None of the above

50) Electronic cash ledger and Electronic credit ledger mentioned in which section

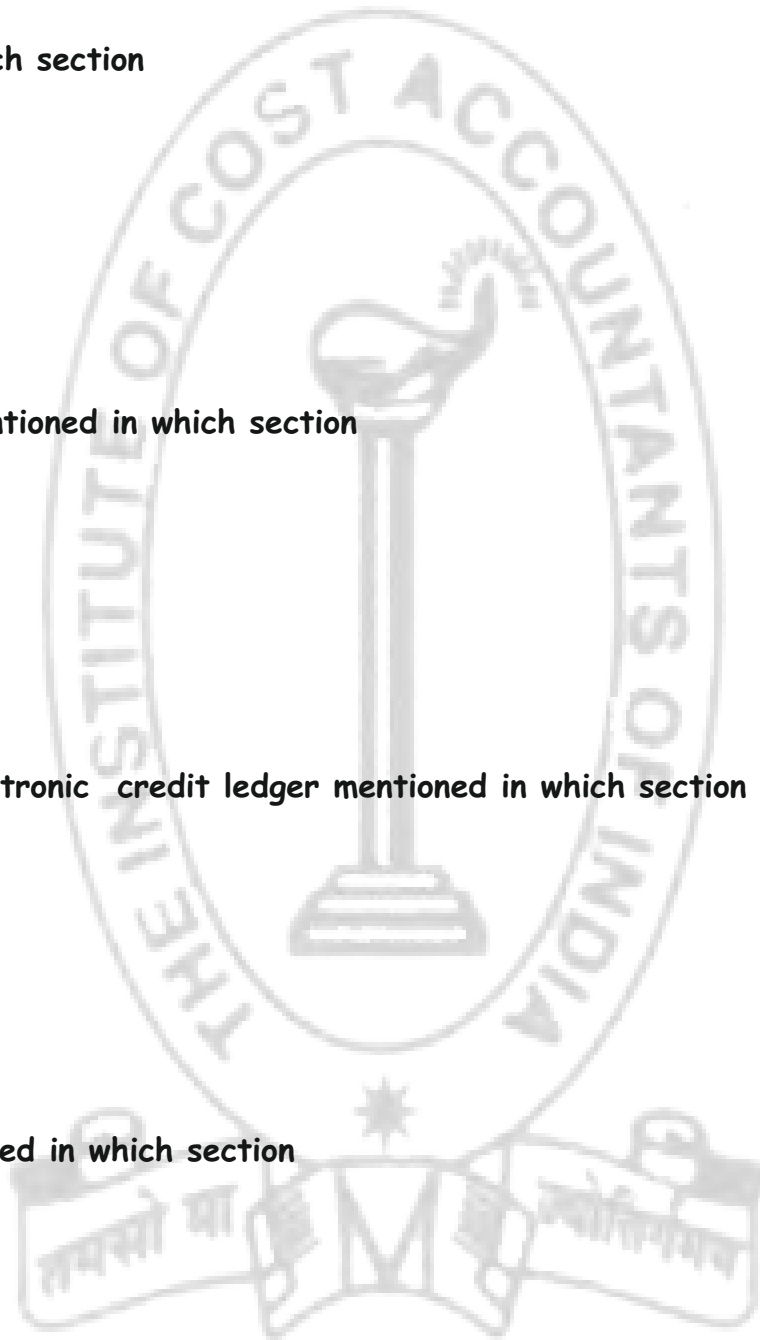
- a) Section 39
- b) Section 42
- c) Section 49
- d) Section 47

51) "invoice" or "tax invoice" mentioned in which section

- a) Section 27
- b) Section 29
- c) Section 31
- d) Section 47

52) Valid return mentioned in which section

- a) Section 29
- b) Section 39
- c) Section 47
- d) Section 49



- 53) **GST Registration**
- a) Aadhar based
 - b) Passport based
 - c) Pan based
 - d) None of the above
- 54) **A person is having multiple business requires registration**
- a) Single
 - b) Each business separately
 - c) Either A or B
 - d) None of the above
- 55) **Deemed Registration**
- a) After four working days
 - b) After five working days
 - c) After three common working days
 - d) After seven working days
- 56) **Annual Return to be filed every year**
- a) 30th June
 - b) 30th September
 - c) 31st December
 - d) 31st October
- 57) **IGST tax levy means**
- a) Within state
 - b) Between two states
 - c) Only A
 - d) None of the above
- 58) **IGST levy can be levied**
- a) Centre
 - b) State
 - c) Union Territory
 - d) Both a and b

Answers:

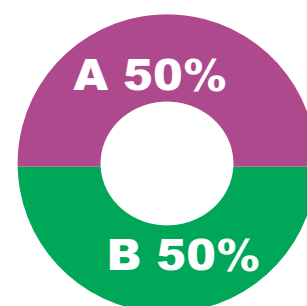
1 (b), 2 (d), 3 (b), 4 (d), 5 (b), 6 (c), 7 (a), 8 (b), 9 (a), 10 (b), 11 (d), 12 (d), 13 (c), 14 (c), 15 (c), 16 (b), 17 (d), 18 (c), 19 (b), 20 (a), 21 (d), 22 (c), 23 (d), 24 (a), 25 (d), 26 (a), 27 (b), 28 (a), 29 (c), 30 (c), 31 (b), 32 (c), 33 (a), 34 (a), 35 (a), 36 (a), 37 (b), 38 (d), 39 (c), 40 (c), 41 (b), 42 (a), 43 (a), 44 (b), 45 (c), 46 (a), 47 (b), 48 (b), 49 (c), 50 (c), 51 (c), 52 (b), 53 (c), 54 (b), 55 (c), 56 (c), 57 (b), 58 (a)



GROUP: II, PAPER:12
COMPANY
ACCOUNTS & AUDIT (CAA)

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Your Preparation Quick Takes



Syllabus Structure

- A Accounts of Joint Stock Companies 50%
- B Auditing 50%

Learning Objectives:

- Apply appropriate judgment derived from knowledge of accounting theory, to financial analysis and decision making
- Effectively define the needs of the various users of accounting data and demonstrate the ability to communicate such data effectively, as well as the ability to provide knowledgeable recommendations.
- Prepare financial statements in accordance with Generally Accepted Accounting Principles.
- Demonstrate an understanding of current auditing standards and acceptable practices, as well as the impact of audit risk on the engagement.

COMPANY ACCOUNTS & AUDIT**1 Auditing should be done by:**

- Independent person
- Employee
- Managerial person
- None of the above

2 Auditing is:

- Systematic analytical examination of the accounting records
- Systematic and judiciously keeping of records
- Systematic examination of functions of management
- None of the above

3. The Auditing reveals:

- the complete picture of facts
- correct information
- full explanation
- None of the above

4. Auditing is compulsory for:

- A partnership firm
- A Company
- A SCHOOL
- None of the above

5. Auditing in depth includes:

- the work of vouching, verification and valuation etc.
- the tracing of certain transactions from their origin to the conclusion.
- adoption of latest techniques of data processing
- None of the above

6. Auditing for the management is otherwise known as:

- system audit
- Quality audit
- social audit
- Internal audit

7. The 1st Auditor of the company shall be appointed by:

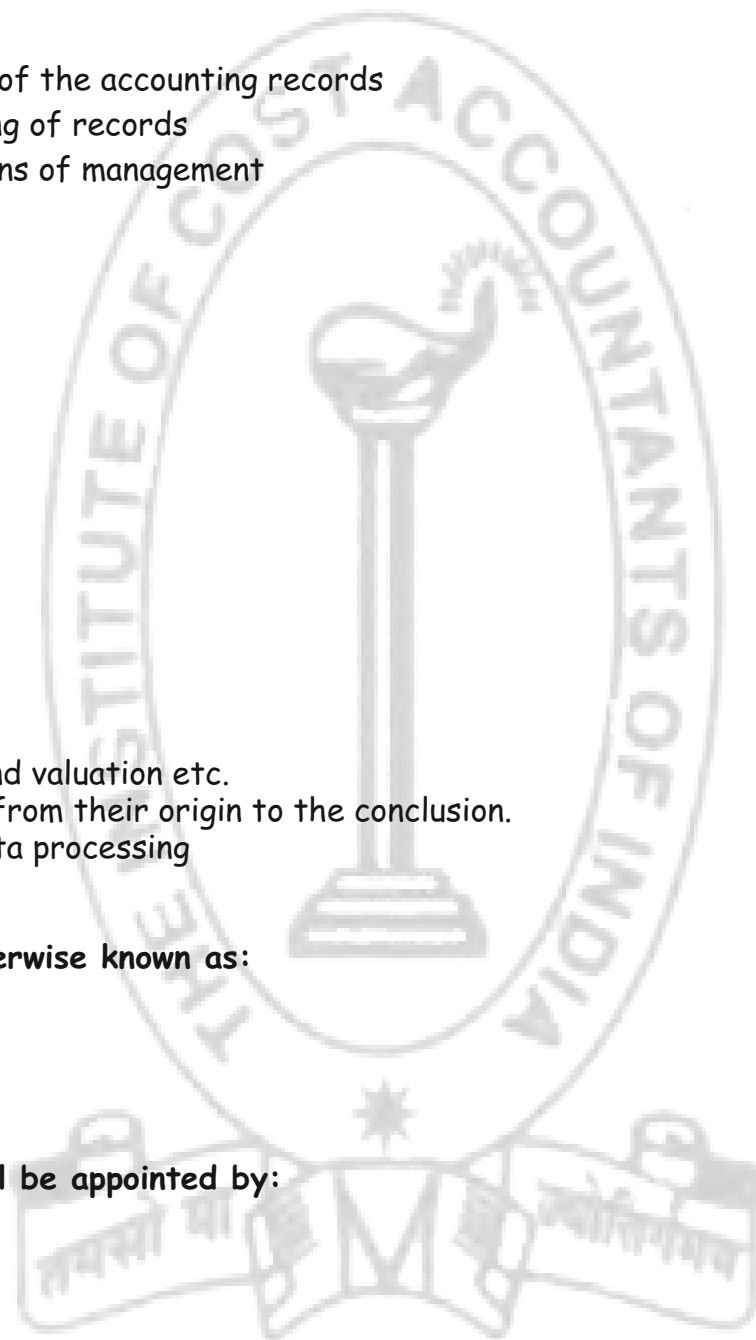
- The Board of Directors
- The shareholders of the company
- The Government
- None of the above

8. Status of an auditor of a company is

- the agent of the shareholders
- the officer of the company
- both agent and officer but with some restrictions
- the independent investigator

9. Ensuring minimization of errors and fraud achieved by:

- internal audit
- internal check
- statutory audit
- None of the above.



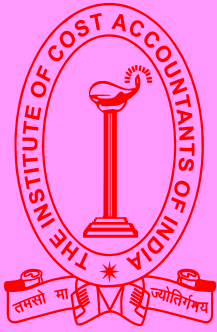
10. Verification of Assets refers to:

- a. enquiry into the value of assets
- b. enquiry into ownership and title of assts
- c. the examination of value, ownership and existence etc.
- d. the arithmetical accuracy of BALANCE SHEET valuation

ANSWER KEY:

1. a
2. a
3. d
4. b
5. b
6. d
7. a
8. c
9. b
10. c





PRACTICAL Advice

ABOUT YOUR STUDIES - INTERMEDIATE COURSE

Practical support, information and advice to help you get the most out of your studies.

START

01

**Read Study Notes,
MTPs, E-Bulletin,
Work Books, Attend
Webinar sessions**

**Solve Exercises
given in Study Note**

02

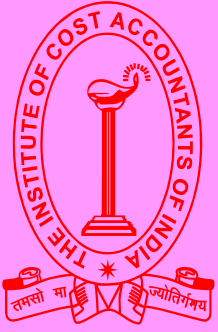
03

Assess Yourself

Appear For Examination

04

FINISHED



SUBMISSIONS



Update of E-Mail Address/Mobile:

Students are advised to update their E-Mail id and Mobile Numbers timely so that important communications are not missed as the same are sent through bulk mail/SMS nowadays. Student may update their E-Mail id/ Mobile Number instantly after logging into their account at www.icmai.in at request option.

Dear Students,

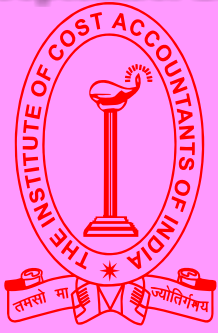
We are very much delighted to receive responses from all of you; for whom our effort is!

We have noted your queries and your requests will definitely be carried out. Further, requesting you to go through the current edition of the bulletin. All the areas will be covered gradually. Expecting your responses further to serve you better as we believe that there is no end of excellence! One of the mails received is acknowledged below.

Please put your opinions so that we can make your e-bulletin everything that you want it to be.

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Send your Feedback to:
e-mail: studies.ebulletin@icmai.in
website: <http://www.icmai.in>



Message from Directorate of Studies

Dear Students,

We from the Directorate of studies know your expectations from us and accordingly we are trying to deliver some meaningful tips through the publications of monthly E-bulletins. Other than this we are trying to help you through, Mock Test Papers (MTPs), Work Books, MCQs and we have conducted Webinar sessions.

All of you must be aware that 5th of September in every year is celebrated as Teachers' Day. "Knowledge gives us power; love gives us fullness"- as told by Dr. Sarvepalli Radhakrishnan. So, being a student it is your duty to gain real knowledge and parallel that to be sympathetic enough, to serve the society in your own way.

"Whatever you do will be insignificant. But it is very important that you do it",

Let us observe his memory by following his message.

Certain general guidelines are listed below and which will help you in preparing yourselves:

- Conceptual understanding & Overall understanding of the subject should be clear.
- Candidates are advised to go through the study material provided by the Institute in an analytical manner.
- Students should improve basic understanding of the subject with focus on core concepts.
- The Candidates are expected to give to the point answer, which is a basic pre-requisite for any professional examination.
- To strengthen the answers candidates are advised to give answer precisely and in a structured manner.
- In-depth knowledge about specific terms is required.
- Write question numbers correctly and prominently.
- Proper time management is also important while answering.

Please refer the link mentioned below :

<https://icmai.in/studentswebsite/>

- Don't give up
- Don't give in
- Don't give out
- You can win!

GOOD LUCK

Be Prepared and Get Success;

Disclaimer:

Although due care and diligence have been taken in preparation and uploading this E-bulletin, the Institute shall not be responsible for any loss or damage, resulting from any action taken on the basis of the contents of this E-bulletin.



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

Statutory Body under an Act of Parliament

STUDENTS' E-bulletin Intermediate
Vol. 3, No.: 12, December 2018, Issue



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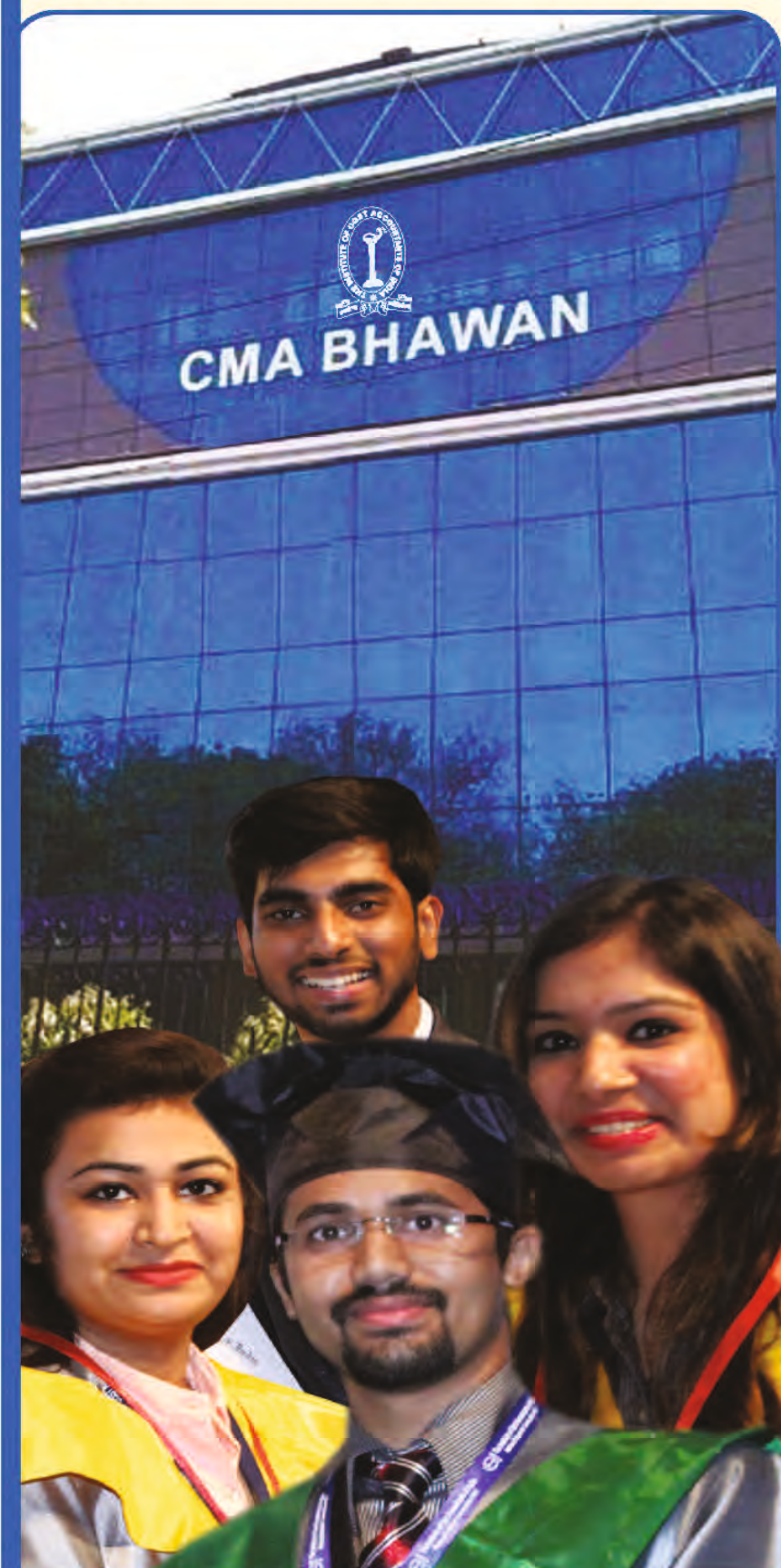
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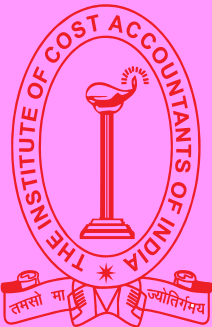
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इंडिया सुपरपॉवर पर वेबिनार संपन्न

हैदराबाद, 31 अगस्त- (मिनाप सूत्रो) इस्टीमेट ऑफ़ कास्ट अकाउंटेंट्स (आईसीएआई) द्वारा इंडिया-सुपर पॉवर पर वेबिनार का आयोजन किया गया।

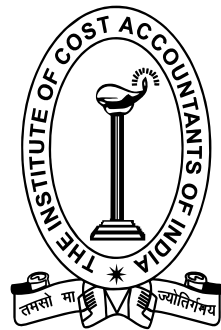
आज यहाँ जारी वेबिनार के अनुसार, जीएसएमए ग्रुप के ग्रुप चैरमैन श्री. श्रीलक्ष्मणराव ने मुख्य अतिथि के तौर पर भाग लेते हुए कहा कि हमारे समय से ही भारत विश्व में अग्रणी रहा है। देश के समृद्ध संस्कार, परंपरा, विज्ञान और उद्योगीय ज्ञान, आधुनिक, महान खोजें, शिक्षण प्रणाली और वेद, खान-पान, प्राचीन औषधियाँ, संस्कृत भाषा की भूमिका और हमारे देश में भारतीय नेतृत्व से पूरा विश्व भारतीयता पर गर्वित है। जो है, वह सफलता प्राप्त करते हैं। यह सारी खूबियाँ भारतीयों के खून में बसी हुई हैं। उन्होंने कहा कि देश 13वीं शताब्दी तक अतीव्यवस्था में सबसे अग्रणी रहा, परंतु ब्रिटिश शासन में यह विकट हो गया। अग्रणी बर्षों में देश अपने पूरे वैभव के साथ पूर्व की प्रतिष्ठा प्राप्त कर सूर्य पश्चिम बनाए।

जीएसएमए ने आगे कहा कि वर्तमान में विश्व को भारत से कई अवसर भी हैं, इसलिए नवोन्मेष, तारकीकरी, टेक्नोलॉजिकल डेवलपमेंट और मानव पूंजी, एफडीआई, आर्थोनिर्माण, नयी शिक्षण नीति के साथ देश विकसित तौर पर आगे बढ़ेगा। उन्होंने कहा कि देश में कमर्शियल को कास्ट अकाउंटेंट्स की उचित सराहना की आवश्यकता है। इस पर नये सिरे से विचार करें और तकनीकी को अपनाएँ। जो व्यक्ति व्यवहार को परिवार मानकर चलाने वाली इसमें सफल होता है। उनकी प्रतिभागियों को विभिन्न श्रेणियों व समाधान (विद्युत)। अवसर पर आईसीएआई के अध्यक्ष-सीएमए श्रीमती विमलेश्वर सिंह, उपाध्यक्ष-सीएमए श्रीमती मंडला, सेंट्रल कार्डिनल सदस्य डॉ. सीएमए पावनन मूर्ति, एच. पदमनभ केमोएर शामिल व अन्य उपस्थित थे।



Sri. G M Rao, Group Chairman GMR Group WEBINT address on 'India: Superpower to Superpower' along with CMA Balwinder Singh President, CMA Biswarup Basu, VP, CMA Dr Ch K V S N Murthy, CMA H Padmanabhan Council Members and CMA K V Lavanya, Former Chairperson HCCA ICAI

Dubai Overseas Center organised WEBINT on 'Challenging Time Need People, who can Challenge Themselves' by CMA Radhakrishnan, on 11th SEP 2K20. Along with MCM and Members of Overseas Center CMA H Padmanabhan Council Member participated



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