



CA INTER COSTING – ABC ANALYSIS – Sept 2025 EXAM

Refer Study Material of ICAI – Study Material applicable for “**May 2025 & onwards**” - Edition July 2024 with ISBN No. as **978-81-19472-65-9**

Category A Chapters – **50 to 60 Marks**

1) Cost Sheet

- a. Important Concepts – Cost Sheet Format, Deep Understanding of how a cost is categorized into different cost heads?
- b. Must Practice - Illustration 3 (Pg 6.14), Practical Problem 4 (Pg 6.25), **Case Scenario – 1** (Pg. No.6.27)

2) Service Costing

- a. Important Concepts – Educational Institute, Insurance, Hospital, Hotel, Toll Roads, Transport
- b. Must do – Illustration No. 4 (Pg. No. 12.16), Illustration No. 11 (Pg. No. 12.43), Practical Problem No. 1 (Pg. No. 12.59), **Case Scenario 1** (Pg. No. 12.63), Practical Problem No. 3 (Pg. No. 12.62),

3) Material Costing –

- a. Important Concept
 - i. EOQ

- ii. Calc. of Total Material Cost & Max. Stock level in case of **Perishable nature of goods** – Added in May 24 RTP
- iii. Setting up of various Stock Levels (Min. Avg. & Max.)
- iv. FIFO, LIFO & WAM
- b. Must Do – Illustration 14 (Pg. No.2.68), Practical Problem No. 8 (Pg. No.2.82), **Case Scenario 1** (Pg. No. 2.83), Practical Problem No. 4 (Pg. No.2.80), Practical Problem No. 6 (Pg. No.2.81)
- 4) Employee Cost & Direct Expenses
 - a. Important concepts – Rowan, Halsey, Labour Turnover Rate,
 - b. Must do - Illustration 4 (Pg. No.3.21), Illustration 5 (Pg. No.3.24), Illustration 15 (Pg. No.3.51), Illustration 16 (Pg. No.3.53) & **Case Scenario 1** (Pg. No.3.16), Practical Problem No. 1 (Pg. No.3.60), Practical Problem No. 3 (Pg. No.3.61)
- 5) Overheads
 - a. Important Concepts – Comprehensive machine Hour Rate, Re-Distribution of Overheads using methods such as equation method, repeated distribution method and trial & error method
 - b. Must do - Illustration 6 (Pg. No.4.38), Illustration 9 (Pg. No.4.49), Practical Problem 4 (Pg. No.4.71), Case Scenario 1 (Pg. No.4.78), Practical Problem 1 (Pg. No.4.67)

Category B Chapters - 30 to 40 Marks

1) Marginal Costing

- a) Important Concepts – Margin of Safety Sales, CVP Analysis, Decision based on limiting factor,
 - b) Must do – Case Scenario 1 (Pg. No. 14.59), Illustration 1 (Pg. No.14.15), Illustration 3 (Pg. No.14.17), Illustration 4 (Pg. No.14.19), Illustration 9 (Pg. No.14.29), Illustration 12 (Pg. No.14.39), Practical Problem 7 (Pg. No.14.53), Practical Problem 9 (Pg. No.14.54), Practical Problem 12 (Pg. No.14.55), Practical Problem 13 (Pg. No.14.55), Practical Problem 16 (Pg. No.14.56)
- 2) Standard Costing – **Reverse calc. based standard costing questions will be asked.**
- a) Important Concepts – Fixed Overhead Variances, Variable Overheads Variances
 - b) Must do – Question No. 17 of RTP for May 25, Practical Problem 3 (Pg. No. 13.58), Practical Problem 14 (Pg. No. 13.63), Practical Problem 15 (Pg. No. 13.64) & Case Scenario 1 (Pg. No. 13.65), Illustration 9 (Pg. No.13.37), Illustration 10 (Pg. No.13.43), Illustration 11 (Pg. No.13.44)
- 3) Cost Accounting System
- a) Integrated & Non-Integrated Accounting
 - i. Important Concepts – Making Accounting Entries & Posting them in Respective Accounts
 - ii. Must do - Practical Problem 1 (Pg. No. 7.46), Illustration 1 (Pg. No. 7.10), Illustration 3 (Pg. No. 7.22), Illustration 5 (Pg. No. 7.28),
 - b) Reconciliation of Income under Cost & Financial Records
 - i. Important Concepts – Basics to decide where to add or less
 - ii. Must Do - Illustration 6 (Pg. No. 7.33), Practical Problem 4 (Pg. No. 7.49), Practical Problem 5 (Pg. No. 7.50)
- 4) Process Costing

- a) Important Concepts – Inter Process Profit, Valuation of WIP (FIFO & WAM)
- b) Must do – Illustration 3 (Pg 10.13), Practical Problem 6 (Pg 10.37) – WAM, Case Scenario 1 (Pg. No. 10.37), Illustration 6 (Pg 10.24)

Category C Chapters - 20 to 30 Marks

1) Joint & By Products

- a. Important Concepts – Bifurcation of Joint Cost using Contribution Margin method & Market Value at separation point method
- b. Must Do – Illustration 1 (Pg. No.11.15), Illustration 4 (Pg. No.11.13), Practical Problem 2 (Pg. No.11.24), Practical Problem 3 (Pg. No.11.25)

2) Activity Based Costing

- a. Important Concepts – Skill to recognize the basis to divide cost among different products
- b. Must Do – Illustration No. 4 (Pg. No.5.27), Practical Prob. 2 (Pg. No. 5.35), Practical Prob. 5 (Pg. No. 5.40 & Case Scenario – 1 (Pg. No.5.41)

3) Unit & Batch Costing – Less Imp. Since already gets covered in cost sheet

4) Job Costing – if you do cost sheet chapter properly (it automatically gets covered)

5) Budgets –

- a. Important Concepts – Different Types of Ratio as Calendar Ratio, Efficiency Ratio
- b. Must Do - Illustration No. 7 (Pg. No.15.69), Illustration No. 5 (Pg. No.15.50), Practical Prob. 3 (Pg. No. 15.76), Case Scenario – 1 (Pg. No.15.81)

Useful Link

- 1. CA Inter Revision Marathon Part 1 - <https://www.youtube.com/watch?v=k6ht5PcVehY>

2. CA Inter Revision Marathon Part 2 - <https://www.youtube.com/watch?v=lbM3l5la0fU>
3. Revision Marathon PDF Notes - <https://www.purushottamaggarwal.com/ca-inter-costing-study-material-notes>
4. Amendment Video – Additional Concepts - <https://www.youtube.com/watch?v=tUt-1cbRfPk>
5. Telegram channel - <https://t.me/purushottamsircost>
6. How Make Presentation in Exams (96 Marks – AIR 2) - <https://www.youtube.com/watch?v=eCRxOWo7zgc>
7. May 2024 Qn Paper Solution - https://www.youtube.com/watch?v=Rm6_9O-yYZc
8. Sept 2024 RTP Solution - <https://www.youtube.com/watch?v=xjNJNtBLmeY>
9. Learn Rankholders Strategy - <https://www.youtube.com/watch?v=B7ukYBq7hVM>
10. Formula Charts - <https://drive.google.com/file/d/1uLNNKnflylUhTtAEi1szjBzY-s0ebAMn/view?usp=sharing>
11. How to Crack ICAI Exam in Just 1 Attempt - <https://www.youtube.com/watch?v=nkIFAHdqiPU&t=1229s>
12. How Secure 97 Marks in Costing & Secure Rank - <https://www.youtube.com/watch?v=jRRfTvt5g5s>