Skillshort

Self-Study Preparation Pack

CMA INTERMEDIATE

Paper 12: Management Accounting (MA)

# Important Topics, Weightage & Question Frequency

For the December 2026 term · Based on ICMAI study weightage and the four latest papers (Dec 2024, June 2025, Dec 2025, June 2026)

ICMAI weightage | Frequency in 4 papers | Priority list | MCQ favourites

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## This subject pack has 6 parts

1 Chapter-wise notes

2 Important topics & weightage

3 Past papers: trends & links

4 Mock tests + solutions

5 Chapter practice questions

6 Last-week plan & strategy


Prepared by Skillshort for self-study. Original explanations and questions; not an official ICAI/ICMAI/ICSI publication. Items marked VERIFY should be checked against the latest official material.

## 1. ICMAI study weightage

| Section | Module | Weight |
|---|---|---|
| A – Introduction | 1 Introduction to Management Accounting | 5% |
| B – Activity Based Costing | 2 Activity Based Costing | 10% |
| C – Decision Making Tools | 3 Marginal Costing; 4 Applications of Marginal Costing in Short-term Decision Making; 5 Transfer Pricing | **30%** |
| D – Standard Costing | 6 Standard Costing and Variance Analysis | **15%** |
| E – Budgeting | 7 Forecasting, Budgeting and Budgetary Control | **15%** |
| F – Divisional Performance | 8 Divisional Performance Measurement | 10% |
| G – Responsibility Accounting | 9 Responsibility Accounting | 5% |
| H – Decision Theory | 10 Decision Theory | 10% |

Our notes follow the same order – Chapters 1–10, one per module.

**How the paper actually distributes marks** (four latest papers): **Q1** – 15 MCQs spread over all modules, about half short numericals; **Q2** – management accounting theory + ABC; **Q3** – a decision, CVP or transfer-pricing problem (sometimes a single 14-mark question); **Q4** – CVP and short-term decisions; **Q5** – standard costing and variances; **Q6** – budgets (occasionally a mix-variance part); **Q7** – divisional performance + learning curve or balanced scorecard; **Q8** – decision theory + responsibility accounting theory.

## 2. Frequency map – descriptive questions (Q2–Q8)

| Q | Dec 2024 | June 2025 | Dec 2025 | June 2026 |
|---|---|---|---|---|
| Q2 | MA vs **cost accounting**; ASTHAMA – **ABC** for three products | **Changed business world** and MA; Hot n Cold – **ABC** for ice-cream flavours | MA vs **financial accounting**; Innovate Robotics – **ABC** for two robots | **Scope of MA**; Neelam Devices – **ABC** for Alpha and Beta |
| Q3 | Garlic Hotels – **room tariff** costing (single 14-mark question) | Colour Paints – **capacity and pricing decision** (single question) | Your Home – **make or buy** components; Gemini – **cost-plus transfer pricing** | RSR – **products P and Q** decision; Division K – **profit-centre transfer pricing** |
| Q4 | Srikar – **CVP** data; AKONA – **key factor** (mobile phones) | AON – **CVP**; PIECO – **capacity utilisation and pricing** | Happy Holiday Home – **trip pricing / CVP**; tin containers – **make or buy** | Alfa – **two products, fixed costs F1 and F2**; Preetam – **pricing at 80% capacity** |
| Q5 | BOSTIN – full **variance analysis** (single question) | PKs – **operating-results reconciliation** (single question) | X, Y, Z – **standard costs and variances**; ChemCo – **mix and yield** | **Labour components** (gang) variances; **overhead variances** |
| Q6 | KAUN – **material mix** (blending); G Ltd. – **functional budgets** | JOY & TOY – **sales variances**; Raj & Sons – **annual budget** | Rs Ltd. – **flexible budget** at 50% capacity; Chandana – **cash budget** | Century India – **production / department budget**; **cost at 5,000 units** – flexible budget |
| Q7 | Aptamil – **cost-sheet based performance measures** VERIFY; NITOZ – **learning curve** (16 units) | Sandip – **divisional ROI / RI**; **balanced scorecard** | Sagar – **divisional performance**; CS LLP – **learning curve** (boats) | TechVision – **EVA** from net profit after tax; ASHA SHG – **learning curve** (bamboo) |
| Q8 | GURBIK – **decision tree** (farm well); **responsibility accounting** | Linku – **five projects with probabilities (EMV, risk)**; **responsibility centres** | Swadist – **decision tree** (new product); **responsibility reporting** | Chandan Appliances – **decision tree / EMV**; **types of responsibility centres** |

Company names and topics are read from OCR of the official papers.

**TREND What this tells you**

- **ABC in Q2(b) every time** and **variances in Q5 every time** – 21 near-certain marks plus the Q2(a) theory.
- **Learning curve came in Q7(b) in three of four papers** – practise cumulative-average tables and "next batch" questions.
- **Q8 = decision tree/EMV + responsibility-accounting theory** in all four papers.
- Q3 and Q4 rotate CVP, key factor, make or buy, pricing at different capacities and transfer pricing – learn the relevant-cost framework thoroughly.
- Budgets in Q6: flexible budget, cash budget and functional budgets; sales and mix variances sometimes appear here instead of Q5.

## 3. Priority list

| Priority | Topics | Why |
|---|---|---|
| ★★★ Must do | ABC product and customer costing; CVP (BEP, MOS, multi-product); key factor; make or buy; pricing at capacity levels; transfer-price range; material, labour (with mix/yield and idle time), overhead and sales variances; reconciliation of profits; flexible and cash budgets; ROI, RI, EVA; learning curve; decision tree, EMV, EVPI; responsibility centres | Every or nearly every paper |
| ★★ Important | Shut-down and product elimination; special orders and relevant cost of materials and labour; cost-plus and dual transfer pricing; functional budgets; least squares; ZBB and performance budgeting; balanced scorecard; uncertainty criteria (maximax, maximin, Laplace, Hurwicz, minimax regret) | One or two papers |
| ★ Do once | Evolution and scope of MA; cost control vs reduction; ABM and ABB; international transfer pricing; budget ratios; DuPont; responsibility reporting characteristics | MCQ material and future questions |

## 4. MCQ favourites (Q1)

| Area | Typical MCQ |
|---|---|
| Introduction | Characteristics of MA; "relevance lost" period; who plays the MA role; waste reduction (lean) |
| ABC | Cost drivers (order processing, set-ups); cost object; value-added vs non-value-added; allocation process |
| CVP and decisions | BEP from P/V; P/V from change in sales and profit; composite BEP; differential cost; make or buy; machine choice |
| Transfer pricing | Methods (and the odd one out); variable-cost transfer; dual pricing |
| Standard costing | Standard time and efficiency; labour and material variances; sales price variance |
| Budgets | ZBB; budget slack; fixed vs flexible budget; budget vs actual variance |
| Performance and decisions | RI formula; ROI and operating assets; DuPont drivers; learning-curve conditions; responsibility-centre types; EMV; regret table; Hurwicz α |