SDV – 23

M.Com. IV – Semester Examination, April 2012
ACCOUNTING AND FINANCE
CO4A3 : Cost Management

Duration : 2 Hours

Total Marks : 50

Instructions : i) Answer **all** questions.
ii) Marks allotted shown against **each** question.

1. Discuss briefly the following **five** questions :   10
   a) Competitive strategy
   b) Performance measurement
   c) Target costing
   d) Kaizen costing
   e) Objective function.

2. a) Explain the various areas of cost management applications.   10
   OR
   b) What is balanced score card ? Explain managerial uses of balanced score card.   10

3. a) Define learning curve. Differentiate between learning and experience curves.   10
   OR
   b) What is meant by network analysis ? Explain the objectives and stages involved in its implementation.   10

4. a) Solve the following LPP graphically and find the optimal solution and suggest how many tonnes of products 'x' and 'y' to be produced so as to maximise profit.

   Maximise : $Z = 80x + 120y$
   Subject to : $x + y \leq 9$ tonnes
   $x \geq 2$ tonnes
   $y \geq 3$ tonnes
   $20x + 50y \leq 360$ machine hours
   $x, y \geq 0$.   10
   OR

b) Determine the optimal transportation plan from the following table giving the plant to market shipping costs and quantities required at each market and available at each plant.

Plant	Market				Available
	Mapusa	Ponda	Vasco	Panjim	
Verna	11	20	7	8	50
Thivim	21	16	10	12	40
Kundaim	8	12	18	9	70
Requirement	30	25	35	40	

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5. a) For a small project of 12 activities, the details are given below. Draw the network and critical path and project completion time :

Activity	Dependence	Duration (Days)	Activity	Dependence	Duration (Days)
A	–	9	G	E	10
B	–	4	H	E	8
C	–	7	I	D, F, H	6
D	B	8	J	E	9
E	A	7	K	I, J	10
F	C	5	L	G	2

10

OR

b) A salesman has to visit five cities A, B, C, D and E. The distance (in hundred Kms.) between the five cities are as follows :

From\To	A	B	C	D	E
A	–	7	6	8	4
B	7	–	8	5	6
C	6	8	–	9	7
D	8	5	9	–	8
E	4	6	7	8	–

If the Salesman starts from city A and has to come back to city A, which route should he select so that total distance traveling by him is minimized. **10**