Goa Vidyaprasarak Mandal's

Gopal Govind Poy Raiturcar College of Commerce and Economics, Ponda Goa

M.Com (Semester IV) Examination, April 2015

ACCOUNTING & FINANCE

CO4A3 COST MANAGEMENT (OB 10A)

Duration : 2 hours   Total Marks: 38

*Instructions: Answer **all** Questions*

Q1] Write short note on :   (3 x 2 = 6)

    a) Cost drivers

    b) ROI method

    c) Kaizen costing

Q.2.A] Explain the learning curve applications useful for decision
making in the area of cost management.   (8)

OR

Q.2.B] Explain the various causes for labour turnover.   (8)

Q.3.A] Define Activity Based Costing system and explain its merits and
demerits.   (8)

OR

Q.3.B] Explain the process of implementing Responsibility
accounting.   (8)

Q.4.A] Explain in detail the techniques of network analysis. (8)

OR

Q.4.B] Explain the phases in the life cycle of a product. (8)

Q.5.A] A farm is engaged in cultivation of vegetables. In order to provide various nutrient constituents (say X, Y and Z) it becomes necessary to bur to additional products say A and B. One unit of product A contains 36units of X, 3 units of Y and 20 units of Z. One unit of product B contains 6 units of X, 12 units of Y and 10 units of Z. The minimum requirement of X, Y and Z is 108 units, 36 units and 100 units respectively. Product A cost ₹20 per unit and product B ₹40 per unit.
Formulate the above as a linear programming problem to minimize the total cost and solve this problem by using graphic method. (8)

OR

Q.5.B] PQR company is engaged in manufacturing 5 brands of packed snacks. It is having five manufacturing set-ups, each capable of manufacturing any of its brands, one at a time. The cost to make a brand on these set-ups vary according to following table:

	S1	S2	S3	S4	S5
B1	4	6	7	5	11
B2	7	3	6	9	5
B3	8	5	4	6	9
B4	9	12	7	11	10
B5	7	5	9	8	11

Find the optimum assignment of products on these set-up resulting in the minimum cost. (8)