

M.Com (Semester –IV) (Accounting & Finance) Examination, August, 2020
COO415: Cost Management and Control (OA-18 A)

Duration: 2 Hours

Max. Marks: 30

Instructions: 1) This paper consists of **four** questions.

- 2) Question No.1 consists of **5 compulsory** questions of **2 marks** each.
 3) Answer **any 2** questions from Question 2,3 and 4.
 4) Figures to the **right** indicate marks.

Answer the following.

(5x2=10)

What are the pricing strategies followed by a company for pricing new products?

State the applications of the Learning Curve.

State the advantages and disadvantages of Activity Based Costing.

What are cost drivers and cost objects?

What is Target Costing?

a) What are the issues in international transfer pricing? What will be the basis of transfer pricing if unit variable cost and unit selling price are not constant? (06)

b) A company using Balance Scorecard as the performance measurement system undergoes radical changes in its internal and external environment. What should be the most important perspective in such a case and why? (04)

c) Determine the best transportation schedule for the data given below using the Northwest corner rule and the Stepping Stone method. (10)

	D1	D2	D3	Supply
A	3	3	2	25
B	4	2	3	40
C	3	2	3	30
Demand	30	30	35	

4. A product comprised of 10 activities whose normal time and cost are given as follows: (10)
 The indirect cost is Rs. 9 per day. Draw the network and identify the critical path and also compute the total float of each activity. Also compute the project duration and associated cost.

Activity	Normal time (days)	Normal cost
1-2	3	50
2-3	3	5
2-4	7	70
2-5	9	120
3-5	5	42
4-5	0	0
5-6	6	54
6-7	4	67
6-8	13	130
7-8	10	166