

# CARMEL COLLEGE OF ARTS, SCIENCE AND COMMERCE

## M.Com (Semester –IV) (Accounting & Finance) Examination, July 2021

### COO 415: Cost Management and Control (OA-18 A)

Duration: 2 Hours

Max. Marks: 40

Instructions: 1) This paper consists of **six** questions

2) Question No.1 consists of **5 compulsory** questions of **2 marks** each

3) Answer **any 3** questions from Question **2,3,4,5 & 6**

4) The scanned copy of the answer sheets should be uploaded before 1:00 p.m. on the day of the exam

5) Figures to the **right** indicate **marks**.

**Q1) Answer the following questions**

**(5x2=10)**

- Differentiate between cost pools and cost centre.
- What is transfer pricing?
- What are the factors affecting the learning curve??
- State the applications of linear programming technique?
- Differentiate between balanced and unbalanced assignment problem.

**Q2. a.** A manufacturing entity has been following the conventional costing system since its incorporation and wishes to switch to Activity Based Costing. Do you think it's a good move? Justify your answer **07**

**b.** How can environmental factors influence the learning curve? **03**

**Q3. a.** Write a short note on the 'Balanced Scorecard'. **05**

**b.** Discuss the pricing strategies that can be adopted to price an innovative product in the market. **05**

**Q4.** From the following data, construct a network diagram and calculate the Earliest start time, Latest finish time and the Total float. **10**

Activity	Duration (Days)
1-2	7
2-3	7
3-4	2
3-5	7
4-6	6
3-7	5
5-7	8
6-7	8
7-8	4

- Q5.** Find the initial feasible solution and the optimal solution using Modified Distribution method for the following transportation problem. **10**

	<b>D1</b>	<b>D2</b>	<b>D3</b>	<b>D4</b>	<b>Supply</b>
<b>S1</b>	21	15	11	24	350
<b>S2</b>	16	24	19	22	400
<b>S3</b>	18	28	23	13	300
<b>Demand</b>	220	250	330	350	

- Q6.** An airline offers coach and first-class tickets. For the airline to be profitable, it must sell a minimum of 25 first-class tickets and a minimum of 40 coach tickets. The company makes a profit of \$225 for each coach ticket and \$200 for each first-class ticket. At most, the plane has a capacity of 150 travellers. How many of each ticket should be sold in order to maximize profits? **10**

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