

SVKM's NMIMS
School of Distance Learning

Programme: DFM / PGDFM

Academic year: 2012 – 2013
Subject: Cost and Management Accounting

Semester: II
Course: New
Marks: 70
Time: 11.00 a.m. to 2.00 p.m.

Instructions:

Candidates should read carefully the instructions printed on the question paper and on the cover of the Answer book, which is provided for their use.

NB:

1. All 4 questions are compulsory.
2. Candidates should attempt questions as per the internal options available.

Q.1. Attempt any two out of four (10)

- a) Distinguish between Traditional Budget and Zero Based Budget
- b) Short note on Material mix variance
- c) Standard quantity of raw materials required to produce one unit of X was 10 kgs @ Rs. 6 per kg. Actual units produced during that period were 500 units. Actual quantity of materials was 5500 kgs @ Rs. 5.5 kg. Calculate the material cost, price and usage variance.
- d) Objectives of Pricing (Short note)

Q.2. Discuss any two out of five (10)

- a) Importance of ABC
- b) Absorption Costing
- c) Break – Even analysis
- d) Shut down or Continue Decision
- e) Classification of Budget

Q.3. Attempt any three out of five (30)

- a) What are the stages involved in Activity Based Management?
- b) What are the Characteristics of Process Costing?
- c) In the Timber Industry, the milling operations to the split off point during the period amounted to Rs. 17,400 with the following production:

First grade timber	400 units
Second grade timer	500 units
Third grade timer	<u>600 units</u>
Total--	<u>1500 units</u>

You are required to apportion the joint cost on technical evaluation with points 4, 4 and 3 for first, second and third grade respectively.

