

## M.B.A. (GM-FM) Sem.-4 Examination

LS-404

S. F. M.

April-2025

Time : 2-30 Hours]

[Max. Marks : 70

<b>Q-1</b>	<b>A)</b> Discuss the Applications and Framework of Strategic Cost Management.	<b>14</b>																																																		
<b>Q-2</b>	<p><b>A)</b> Nandita Ltd. manufactures three products P, Q and R. The related information is as under:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Particulars</th> <th style="width: 16.6%;">P</th> <th style="width: 16.6%;">Q</th> <th style="width: 16.6%;">R</th> </tr> </thead> <tbody> <tr> <td>Annual Production (unit)</td> <td>5,000</td> <td>10,000</td> <td>15,000</td> </tr> <tr> <td>Material Cost per unit (Rs.)</td> <td>10</td> <td>15</td> <td>20</td> </tr> <tr> <td>Labour Cost per unit(Rs.)</td> <td>15</td> <td>20</td> <td>25</td> </tr> <tr> <td>Machine hours per unit</td> <td>4</td> <td>4</td> <td>4</td> </tr> <tr> <td>Direct labour hour per unit</td> <td>5</td> <td>5</td> <td>5</td> </tr> <tr> <td>Total machine hours</td> <td>20,000</td> <td>40,000</td> <td>60,000</td> </tr> <tr> <td>Total Labour hours</td> <td>25,000</td> <td>50,000</td> <td>75,000</td> </tr> <tr> <td>No. Of Purchase order</td> <td>60</td> <td>75</td> <td>105</td> </tr> <tr> <td>No. Of Machine set ups</td> <td>20</td> <td>80</td> <td>100</td> </tr> </tbody> </table> <p>The overhead expenses of all activities are as follows:</p> <table border="1" style="width: 50%; margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 40%;">Rs.</th> </tr> </thead> <tbody> <tr> <td>Quantity basis</td> <td>3,30,000</td> </tr> <tr> <td>Purchase basis</td> <td>2,40,000</td> </tr> <tr> <td>Set-up basis</td> <td>2,88,000</td> </tr> <tr> <td></td> <td>8,58,000</td> </tr> </tbody> </table> <p>Overhead expenses are dependent on labour hours. Prepare statement showing per unit and total cost under traditional method and activity based costing method.</p> <p style="text-align: center;"><b>OR</b></p> <p><b>B)</b> Discuss in detail the Elements In Porter's Value Chain.</p>	Particulars	P	Q	R	Annual Production (unit)	5,000	10,000	15,000	Material Cost per unit (Rs.)	10	15	20	Labour Cost per unit(Rs.)	15	20	25	Machine hours per unit	4	4	4	Direct labour hour per unit	5	5	5	Total machine hours	20,000	40,000	60,000	Total Labour hours	25,000	50,000	75,000	No. Of Purchase order	60	75	105	No. Of Machine set ups	20	80	100		Rs.	Quantity basis	3,30,000	Purchase basis	2,40,000	Set-up basis	2,88,000		8,58,000	<b>14</b>
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Q-3	<p>A) The following data is available from the books of Jay Ltd.:</p> <p>Selling Price: Rs. 60 per unit</p> <p>Variable Manufacturing Expenses: Rs. 33 per unit</p> <p>Variable Selling Expenses: Rs. 9 per unit</p> <p>Fixed Factory Expenses: Rs. 16,20,000</p> <p>Fixed Selling Expenses: Rs. 7,56,000</p> <p>Sales during the year: Rs. 84,00,000</p> <p>You are required to find out:</p> <p>i) P.V. Ratio</p> <p>ii) Break Even Point (in Rs.)</p> <p>iii) Margin of Safety (in Rs.)</p> <p>iv) Number of units to be sold to earn profit of Rs. 1,80,000</p> <p>v) Profit when sales are Rs. 90,00,000</p> <p style="text-align: center;">OR</p> <p>B) Discuss in brief Budgetary Control and Standard Costing.</p>	14
Q-4	<p>A) Discuss in detail Supply Chain Management- Cost Implications.</p> <p style="text-align: center;">OR</p> <p>B) Write a note on Six Sigma as a productivity improvement tool.</p>	14
Q-5	A) Discuss in detail Target costing and its implementation.	14