IIHMR UNIVERSITY

Institute of Health Management Research

MBA Hospital and Health Management

Batch-22 (2017-2019)

Hospital Management

Management Accounting

Term Examination

Time - 3 Hour **MM-70**

The question paper contains 2 printed page.

Q. 1. Aradhana Furnitures ltd has the following cost budget at a production level of 35,000 units as against the normal capacity of 70,000 units. (10+10=20) marks

Particulars	Rs.
Direct Material	3,00,000
Direct labour	4,60,000
Variable Overheads	2,15,000
Semi-Variable overheads	3,00,000
Fixed Overheads	1,50,000

The fixed overhead would remain stable up to 45% activity level, which increases by Rs. 50,000 for higher activity. The fixed component of semi-variable overhead is Rs. 50,000.

a)Find the per unit cost at the activity level of 22,400 units.

b)Find the per unit cost at the activity level of 40,000 units.

Q. 2. Selling price per unit - Rs. 4.00 (10 marks)

Contribution margin per unit – Rs. 2

Fixed Costs – Rs. 50000

Find out profit if sales in unit are 20% above BEP

Q. 3. The following information is given to you from which you are required to prepare Cost Sheet for the period ended on 31st March 2006: (20 marks)

Consumable material:	Rs.
Opening stock	40,000
Purchases	1,50,000
Closing stock	12,000
Direct wages	36,000
Direct Expenses	20,000

Factory overheads 40 % of direct wages

Office and administration overheads 20% of works cost

Selling and distribution expenses Rs.2 per unit sold

Units of finished goods In hand at the beginning of the period (Value Rs. 12500) 500

Units produced during the period 10,000

In hand at the end of the period 1,500

Find out the selling price per unit if 20% profit on selling price. There is no work-in-progress either at the beginning or at the end of the period.

Q. 4. Write Short Notes on any five of the following (Not more than 50 words, marks will be deducted for exceeding word limit) (5*4 = 20 Marks)

1. Integrated Practice Units (IPUs)
2. Bundled Prices
3. Major cost centers in a hospital
4. Flexible Budgets
5. Direct Expenses
6. Indirect Costs in a hospital
7. Value based Costing