



End Term (Odd) Semester Examination November 2025

Roll no.....

Name of the Course and semester: B.Com(H) III Semester

Name of the Paper: Performance Management

Paper Code: BCH 304 AC

Time: 3 hour

Maximum Marks: 100

Note:

- (i) All the questions are compulsory.
- (ii) Answer any two sub questions from a, b and c in each main question.
- (iii) Total marks for each question is 20 (twenty).
- (iv) Each sub-question carries 10 marks.

Q1.

(2X10=20 Marks)

- a. Explain ABC method of costing. Discuss its advantages and disadvantages (CO1)
- b. What is cloud computing? Discuss potential benefits of the cloud (CO2)
- c. Differentiate between marginal costing and absorption costing. (CO2)

Q2.

(2X10=20 Marks)

- a. Discuss the use of Cost-Volume-Profit (CVP) Analysis in determining the break-even point and margin of safety. (CO2)

- b. What is cost plus pricing? Discuss its advantages and disadvantages (CO1)

- c. The following data is related to product Y: (CO3)

Selling price \$24 p.u

Variable cost \$8 p.u

Fixed cost \$40,000

Total sales \$100,000

Calculate and Analyse

- (i) Break even points in units

- (ii) The level of activity to earn a required profit of \$32,000.

Q3.

(2X10=20 Marks)

- a. The expenses budgeted for production of 2,000 units in a factory are furnished below: (CO2)

Particulars	Per Unit (\$)
Material Cost	1400
Labor Cost	500
Variable overheads	400
Selling expenses (40% fixed)	260
Administrative expenses (\$ 4,00,000)	400
Total Cost	2,960

Prepare a budget for production of 1200 units and 1600 units assuming administrative expenses are rigid for all level of production.

- b. From the following, prepare a Cash Budget for April-June 2025:

(CO4)

Estimated sales: April \$80,000, May \$90,000, June \$1,00,000 (50% cash, 50% credit, collected next month)

Purchases 60% of sales, paid next month;

Wages \$10,000/month; Opening cash \$20,000.



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c. Evaluate the advantages and limitations of Zero-Based Budgeting (ZBB) compared to traditional budgeting systems. (CO3)

Q4. (2X10=20 Marks)

a. Explain the importance of standard costing and variance analysis in cost control and performance measurement. (CO2)

b. Standard material mix: 60 kg A @ \$5, 40 kg B @ \$10. (CO3)

Actual mix: 50 kg A @ \$6, 50 kg B @ \$9.

Calculate:

(a) Material Cost Variance, (b) Material Mix Variance, (c) Material Yield Variance.

c. Evaluate how labour and overhead variances can help identify inefficiencies in production. (CO4)

Q5. (2X10=20 Marks)

a. Discuss the components and benefits of a Performance Management Information System (PMIS) in business organizations. (CO2)

b. Analyze the importance of transfer pricing in divisional performance measurement. (CO4)

c. Evaluate the differences in performance measurement between private sector and public sector organizations. (CO5)