

QP CODE: D3BAF2403	(Pages: 2)	Reg. No :
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THIRD SEMESTER FYUGP EXAMINATION, NOVEMBER 2025

Discipline Specific Core (DSC) Course - Minor

AFA3MN211 : Cost And Performance Management

(Credits: 4)

Time: 2 Hours

Maximum Marks: 70

Section A

Answer the following questions. Each carries 3 marks (Ceiling: 24 marks)

1.	What are the objectives of cost accounting?	BL1	CO1, CO2, CO3, CO4
2.	What is overtime? Why is it allowed in industries?	BL1	CO1, CO2, CO3, CO4
3.	State three objectives of environmental accounting.	BL2	CO1, CO2, CO3, CO4
4.	Mention the methods for calculating sales variance.	BL2	CO1, CO2, CO3, CO4
5.	What is prime cost?	BL1	CO1, CO2, CO3, CO4
6.	What is responsibility center?	BL2	CO1, CO2, CO3, CO4
7.	What is the role of 'time saved' in both the Halsey and Rowan Plans?	BL2	CO1, CO2, CO3, CO4
8.	Why might a company choose the Simple Average method over FIFO or LIFO despite its limitations?	BL2	CO1, CO2, CO3, CO4
9.	What is labour variance?	BL2	CO1, CO2, CO3, CO4
10.	What is meant by the absorption of overhead? Why is it necessary in cost accounting?	BL2	CO1, CO2, CO3, CO4

Section B

Answer the following questions. Each carries 6 marks (Ceiling: 36 Marks)

11.	What method of costing would you adopt for the following industries and why? a) oil refining b) sugar c) road transport company d) construction of building	BL3	CO1, CO2, CO3, CO4
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(PTO)

12.	Standard output- 50 units per day of 8 hours Piece rate-₹1 per unit Output of A 100 units, B 135 units and C 180 units. Calculate the earnings of A, B and C under Merrick differential piece rate system.	BL2	CO1, CO2, CO3, CO4
13.	Differentiate between the traditional costing system and Activity-Based Costing.	BL2	CO1, CO2, CO3, CO4
14.	Explain the preliminaries in establishing a system of standard costing.	BL2	CO1, CO2, CO3, CO4
15.	Define Life-Cycle Costing. Explain its meaning and objectives in detail.	BL2	CO1, CO2, CO3, CO4
16.	Define cost accounting and explain various cost concepts.	BL2	CO1, CO2, CO3, CO4
17.	MAX Ltd produces a product which has a monthly demand of 4000 units. The product requires a component X which is purchased at ₹20. For every finished product, one unit of component is required. The ordering cost is ₹120 per order and the holding cost is 10% p.a. You are required to calculate : a) EOQ b) If the minimum lot size to be supplied is 4000 units, what is the extra cost the company has to incur? c) What is the minimum carrying cost the company has to incur?	BL2	CO1, CO2, CO3, CO4
18.	Differentiate between primary distribution and secondary distribution of overheads.	BL2	CO1, CO2, CO3, CO4

Section C

Answer any one question. Each carries 10 marks (1 x 10 = 10 Marks)

19.	Differentiate between cost accounting and financial accounting.	BL2	CO1, CO2, CO3, CO4
20.	Explain the meaning, objectives, and essentials of a good budgetary control system. Discuss its advantages and limitations.	BL2	CO1, CO2, CO3, CO4

CO : Course Outcome

BL : Bloom's Taxonomy Levels (1 – Remember, 2 – Understand, 3 – Apply, 4 – Analyse, 5 – Evaluate, 6 – Create)