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Bengaluru

Mid Term Examinations - October 2026

Date: 06/10/2026 **Time:** 11:45 AM - 01:15 PM

Course Code: COM2060 **Course Name:** Performance Management

Semester: Fifth Semester **Max. Marks:** 50 **Weightage:** 50%

CO - Levels	CO1	CO2
Marks	46	44

PART A: Answer Following Questions. 10 M

Q.N.	Questions	M	CO	BT
1	What is meant by "budgetary slack"?	2	CO2	BT3
2	Differentiate between a Transaction Processing System (TPS) and an Executive Information System (EIS).	2	CO1	BT2
3	What is Big Data? Briefly explain any one of its key characteristics: Volume, Velocity, or Variety.	2	CO1	BT2
4	Define Environmental Accounting and state why it is becoming important for organisations today.	2	CO1	BT2
5	What is a rolling budget?	2	CO2	BT3

PART B : Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
6	A company manufactures Product A and Product B. The total overhead costs are classified into the following two activities: Machine Setup: ₹30,000, with number of setups as the cost driver. Quality Inspection: ₹20,000, with number of inspections as the cost driver. The following information is available: Product A: 1,000 units, 20 setups and 40 inspections. Product B: 500 units, 10 setups and 60 inspections. Required: a) Calculate the ABC rate for each activity. b) Calculate the overhead cost allocated to Product A and Product B using ABC. c) Calculate the overhead cost per unit for each product.	10	CO1	BT2
7	Explain the concept of Big Data and Data Analytics. Discuss, with suitable examples, how it is used in planning, costing, decision-making, and performance management within an organisation.	10	CO1	BT2

PART C: Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT

PTO (Please Turn Over)

8	a) Explain the meaning of Target Costing and its key features. Also briefly explain how a company can close a cost gap. [6 Marks] (b) A company is planning to launch a new electric kettle. The target selling price is ₹1,200 per unit, and the company requires a profit margin of 25% of the selling price. The current estimated production cost is ₹980 per unit. Calculate (i) the target profit per unit, (ii) the target cost per unit, and (iii) the cost gap per unit. State whether the company needs to reduce or increase its current estimated cost. [4 Marks]	10	CO1	BT2
9	Explain the meaning of Information and briefly discuss the qualities of good information.	10	CO1	BT2

PART D: Answer Any 1 Following Questions. 10 M				
Q.N.	**Questions**	**M**	**CO**	**BT**
10	(a) What is a Budget? Explain the purpose of budgeting and briefly discuss its importance in an organisation. [5 Marks] (b) Explain the two approaches to setting a budget: (i) Imposed/Top-Down Budgeting and (ii) Participative/Bottom-Up Budgeting. Briefly discuss the advantages of each approach. [5 Marks]	10	CO2	BT3
11	a) Define the High-Low Method and explain when it should be used. [5 Marks] b) The following information relates to the electricity cost of a production department: Month Activity (Units) Total Electricity Cost (₹) January 5,000 25,000 February 8,000 34,000 March 6,000 28,000 April 7,000 31,000 Using the High-Low Method, calculate: Variable cost per unit, Fixed cost Cost equation and estimate the total electricity cost at 10,000 units. [5 Marks]	10	CO2	BT3

PART E: Answer Any 1 Following Questions. 10 M				
Q.N.	**Questions**	**M**	**CO**	**BT**
12	Explain Incremental Budgeting and Activity-Based Budgeting (ABB), and discuss their key features, advantages and disadvantages.	10	CO2	BT3
13	Explain Rolling Budgets and Zero-Based Budgeting (ZBB), and discuss their key features, advantages and disadvantages.	10	CO2	BT3