

**S.No. 8031**

**24DPCM04**

(For the candidates admitted from 2024 – 25 onwards)

M.Com. DEGREE EXAMINATION, AUGUST 2025.

Second Semester

**STRATEGIC COST MANAGEMENT**

Time : Three hours

Maximum : 75 marks

**PART A — (10 × 2 = 20 marks)**

Answer ALL the questions.

1. What is value chain analysis in strategic cost management?
2. Define “Kaizen costing”.
3. Write short notes on “cost control” in strategic cost management.
4. What is Pareto analysis in strategic cost management?
5. What do you mean by activity based costing?
6. What is the purpose of Activity Based Cost Management?
7. What is Transfer Pricing?
8. What is negotiable pricing?
9. What is the cost management perspective?
10. Define “International Perspective”.

**PART B — (3 × 5 = 15 marks)**

Answer any THREE questions.

11. How many steps are there in value chain analysis?
12. How Pareto analysis applies to strategic cost management with examples?
13. Explain the concepts of Activity Based Cost management (ABCM).
14. Describe the benefits of Transfer Pricing.
15. What is cost management in information technology sector? Mention their features.

PART C — (5 × 8 = 40 marks)

Answer ALL the questions.

16. (a) Describe the Lean System offer significant benefits in strategic cost management.

Or

- (b) Explain the importance Quality Cost Management in SCM. List out the benefits of effective QCM.

17. (a) What is Life Cycle Costing? Bring out the benefits of using Life Cycle Costing. State the stages of LCC.

Or

- (b) Highlight the basic difference between cost control and cost reduction.

18. (a) Bring out the Benefits of Activity Based Cost Management (ABCM). List out the steps involved in ABCM.

Or

- (b) Explain the various levels of Activity and objectives in ABCM.

19. (a) Explain the aim and various methods of transfer price in strategic cost management. Explain the factors influencing best transfer pricing method.

Or

- (b) What is opportunity cost? How opportunity cost influences pricing decision? Summarize the benefits of considering opportunity cost in pricing.

20. (a) What is the use of IT in the agriculture sector? Explain the role played by information technology in the field of agricultural economics.

Or

- (b) Compare the several tools used to measure performance in the agriculture sector, ranging from traditional methods and modern methods.
-