

Subject : Elective-II c) Introduction to Management Control Systems (Finance)

Day : Wednesday

Date : 15/06/2016



Time : 10.00 AM TO 1.00 PM

Max Marks : 80 Total Pages : 2

N.B.:

- 1) Attempt **ANY FIVE** questions from Section - I and **ANY TWO** questions from Section – II.
 - 2) Answers to both the sections should be written in the **SAME** answer book.
 - 3) Figures to the right indicate **FULL** marks.
-

SECTION - I

- Q.1** Define the term “MCS” and explain its importance from organization’s point of view. [10]
- Q.2** What is a “Responsibility Center”? Explain in detail types of Responsibility Centers. [10]
- Q.3** Explain how the integration of Motivation, Morale and Participative Management works in Management Control System. [10]
- Q.4** “Audit helps in Management Control System”. Explain. [10]
- Q.5** What is NPO? Explain the need for MCS in a NPO. [10]
- Q.6** What is Budget? Explain its types and their relationship with MCS. [10]
- Q.7** Write short notes on **ANY TWO** of the following: [10]
- a) Marginal Costing
 - b) Variance Analysis
 - c) Need for Transfer Pricing

P.T.O.

SECTION - II

Q.8 Aakash Ltd., furnishes following information for 50% capacity (5000 units) [15]

Particulars	Cost Per Unit
Direct Material	Rs. 80
Direct Labour	Rs. 40
Other Variable Expenses	Rs. 24
Selling Price	Rs. 180
Fixed Cost	Rs. 4,00,000

Find out the following for 40% and 60% capacity

- a) Profit earned
- b) P/V Ratio
- c) BEP in Units and BEP in Sales Value

Q.9 From the following details. Find out: [15]

- a) Material Cost Variance
- b) Material Price Variance
- c) Material Usage Variance

Material	Standard Quantity (Kg)	Standard Price	Actual Quantity	Actual Price
X	10	5	12	4.00
Y	8	4	7	4.50
Z	6	3	5	3.25

Q.10 The expenses budgeted below for the production of 20,000 unit in a factory are [15]
furnished below:

Particulars	Per Unit (Rs.)
Material	100
Labour	45
Variable Overheads	40
Fixed Overheads	15
Selling expenses (10% fixed)	23
Distribution expenses (25% fixed)	20
Administrative expenses (100% fixed)	12

Prepare a flexible budget for 10,000 and 30,000 units.

* * * *