

S.D.E.
B.B.A. (2006 Course) Sem-V : SUMMER - 2019
SUBJECT : ELECTIVE – II : c) INTRODUCTION TO MANAGEMENT CONTROL SYSTEM
(Finance)

Day : Monday
Date : 13/05/2019

S-2019-4925

Time 02.00 PM TO 05.00 PM
Max. Marks: 80

N.B.

- 1) Attempt Any Five questions from section –I and Any Two questions from Section -II
 - 2) Answer to both the section should be written in *same* answer book.
 - 3) Figures to the right indicate FULL marks.
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SECTION - I

- Q.1** State the significance of behavioral aspects in implementing Management Control System. **(10)**
- Q.2** Define the term Responsibility Center and explain its advantages. **(10)**
- Q.3** Write a detailed note on ‘ Internal Audit under Management control system’ **(10)**
- Q.4** How does flexibility of budget help in managing & controlling the results? **(10)**
- Q.5** Explain briefly, the various issues involved in transfer pricing. **(10)**
- Q.6** Suggest a suitable management control system for non profit organization. **(10)**
- Q.7** Write short notes on any **TWO**: **(10)**
- a) Marginal Costing
 - b) Significance of transfer Price
 - c) Investment Center

P.T.O.

SECTION - II

Q.8 Following details are available from the books of PQR Ltd: **(15)**

	Sales Rs.	Total Cost Rs.
Period I	69,000	64,700
Period II	83,000	77,800

Calculate:

- a. Variable cost
- b. Fixed Cost
- c. Contribution for each period.

Q.9 The following is the information given by Rohan Industries for 50% **(15)**
Production capacity. (10,000 units):

Raw Materials	Rs.100 per unit
Direct Labour	Rs. 80 per unit
Direct Expenses	Rs. 20 per unit
Factory Expenses	Rs. 1,00,000 [40% fixed]
Administrative Expenses	Rs. 50,000 (50% variable)

Prepare a Flexible budget for production capacity at 80 % and 100 %.

Q.10 Calculate Material Cost Variance from the following information: **(15)**

Standard Price of material per kg = Rs. 10

Standard usage of materials = 1600 kgs

Actual usage of materials = 1820 kgs

Actual price of materials per kg =Rs. 8

Actual cost of materials Rs.6560

Standard cost of material for actual production Rs. 7200.

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