

Day: **Tuesday**
Date: **19/12/2017**

Time: **10.00 AM TO 1.00 PM**
Max. Marks: **80**

N.B.:

- 1) Attempt **ANY THREE** questions from section-I and **ANY TWO** questions from section-II.
- 2) Answer to both the **SECTION** should be written in **SEPARATE** answer books.
- 3) All questions carry **EQUAL** marks

SECTION-I

- Q.1** Define the term MCS and explain objectives and characteristics of MCS. [16]
- Q.2** Define the term 'Responsibility Center' and explain in detail types of Responsibility centers with suitable examples. [16]
- Q.3** Explain the role of Behaviour Aspects like Motivation Morale in Management Control System? [16]
- Q.4** What is NPO? Explain the need of MCS in NPOs with suitable examples. [16]
- Q.5** Write short notes on **ANY TWO** of the following: [16]
- a) Fixed and Flexible Budget
 - b) Managerial costing
 - c) Internal Audit and MCS

SECTION-II

- Q.6** Ruby industries ltd. furnishes the following information for the year 2012 [16]
- Sales : Rs.4,00,000
Variable cost : Rs.1,00,000
Fixed cost : Rs. 50,000
- Find out : I) P/V ratio, BEP (sales), Margin of safety
II) Calculate the effect of each of the following independently on P/V Ratio and BEP (sales).
- a) 10% Increase in selling price , b) 20% Decrease in selling price
 - c) 5% Decrease in variable cost, d) 10% Decrease in fixed cost
- Q.7** The expenses budgeted for production of 10,000 units in a factory are furnished below [16]

Particulars	Per Unit Amount (Rs.)
Materials	140
Labour	50
Variable Expenses (Direct)	10
Variable Factory Overheads	40
Fixed Factory Overheads (2,00,000)	20
Selling Expenses (10 % Fixed)	26
Distribution Expenses (20 % Fixed)	14
Administrative Expenses (Rs. 1,00,000)	10
Total Cost of Sale Per Unit	310

You are required to prepare budget for the production of 8,000 units.

- Q.8** What is Transfer Pricing? Explain Objectives and Importance of Transfer Pricing. [16]