

BACHELOR OF BUSINESS ADMINISTRATION (C.B.C.S.) (2015 COURSE)
B.B.A. Sem-V :SUMMER- 2022
SUBJECT : INTRODUCTION TO MANAGEMENT CONTROL SYSTEMS

Day : Thursday
Date : 16-06-2022

S-13886-2022

Time : 10:00 AM-01:00 PM
Max. Marks : 100

N.B.:

- 1) Answer ANY FOUR questions from Section I. Each question carries 15 Marks.
 - 2) Answer ANY TWO questions from Section II. Each question carries 20 Marks.
 - 3) Answers to Both the sections to be written in SAME answer books.
 - 4) Draw a labeled diagram WHEREVER necessary.
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SECTION - I

Q.1) Answer the following: (15 Marks X 1 = 15 Marks)

Enumerate how an efficient Management Control System is helpful in ensuring efficiency and effectiveness of control in different organizations.

Q.2) Answer the following: (15 Marks X 1 = 15 Marks)

State the concept of 'Management by Objectives' (MBO)? Explain the merits of establishment of MBO in the organization.

Q.3) Answer the following: (15 Marks X 1 = 15 Marks)

Explain the concept of cost centre and profit centre with suitable examples.

Q.4) Answer the following: (15 Marks X 1 = 15 Marks)

Discuss the meaning and significance of Transfer Pricing.

Q.5) Answer the following: Attempt ANY ONE (15 Marks X 1 = 15 Marks)

- a) State and explain the meaning and objectives of a Budgetary Control System.
- b) Explain the term Management Audit. Explain the advantages of management audit in Management Control System.

Q.6) Write short notes on the following: Attempt ANY THREE (5 Marks X 3 = 15 Marks)

- a) Zero Base Budgeting
- b) Limitations of Budgetary Control
- c) Internal Audit
- d) Administration of Transfer Pricing
- e) Areas of Control

SECTION - II

Q.7) Answer the following: Attempt ANY ONE (20 Marks X 1 = 20 Marks)

- a) Explain the concept and process of Control.
- b) Explain the need for the Strategic Planning Process.

Q.8) Answer the following: Attempt ANY ONE (20 Marks X 1 = 20 Marks)

- a) Elaborate the concept of Revenue Centre and Investment Centre.
 - b) Explain in detail transfer pricing methods with suitable examples.
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Q.9) Answer the following: Attempt ANY ONE (20 Marks X 1 = 20 Marks)

a) For production of 10,000 units of an article, following are the budgeted expenses:

Particulars	Cost per unit (Rs.)
Direct Material	140
Direct Labour	50
Variable Factory Overheads	40
Fixed Factory Overheads (Rs.2,00,000)	20
Variable Expenses (Direct)	10
Selling Expenses (10% Fixed)	26
Administrative Expenses (80% Fixed)	10
Distribution Expenses (20% Fixed)	14
Total Cost of Sale per unit	310

Prepare a Flexible Budget for production of 8,000 and 12,000 units.

b) Explain the concept and objectives of Cost Audit.
