

Subject : Elective-VII : Management Control System (Financial Management)

Day : Tuesday
Date : 14/06/2016



Time : 02.00 PM TO 05.00 PM
Max Marks : 70 Total Pages : 1

N.B.

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

SECTION – I

- Q.1** What do you mean by Transfer Pricing? What are the methods used for transfer pricing? (14)
- Q.2** Write a note on ‘Behavioural aspects of management control’. (14)
- Q.3** Define management control. Explain the nature and scope of management control system. (14)
- Q.4** Write the importance of responsibility centre and cost centre. (14)
- Q.5** Write short notes on any **TWO**: (14)
- a) Goal congruency
 - b) Learning Curves
 - c) Strategic planning

SECTION – II

- Q.6** For the production of 12,000 units the following are budgeted expenses: (14)

Particulars	Cost Per Unit Rs.
Direct material	30
Direct labour	28
Variable overheads	20
Fixed overheads	10
Variable expenses	8
Selling expenses (10% fixed)	6
Administration expenses (100% fixed)	5
Distribution expenses (20% fixed)	6

Prepare a flexible budget for 14,000 and 15,000 units showing distinctly marginal cost and total cost.

- Q.7** From the following information calculate Labour Rate Variance, Labour Efficiency Variance and Labour Cost Variance for skilled and unskilled labour. (14)

Particulars	Standard		Actual	
	Time (Hrs)	Rate (Rs)	Time (Hrs)	Rate (Rs)
Skilled Labour	5000	800	5100	820
Unskilled Labour	4000	400	3900	400

- Q.8** How management control system can be established in non profit and public service organizations? Explain with example. (14)

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