

MBA-2 Sem.-4 (D/E) Examination

MCS

Time : 2-30 Hours]

May-2024

[Max. Marks : 70

- Q.1 Explain the nature and purpose of Management Control Systems and discuss various elements and critical components of management control systems. 14
- Q.2 A. What is profit centre? What are the advantages of profit centre ? Discuss 07
- B. Define Responsibility Centre. Discuss the application of this concept in creating and designing various responsibility centers. 07

OR

- Q.2 A. What are characteristics of Non-Profit Organizations? Describe the difference between management control system of Non-Profit Organizations and Profit Organizations. 07
- B. Division Anand of Reshma Enterprise manufactures Product X, which is sold to Divisions Baroda as a component of Product of Y. Product Y is sold to Division C, which uses it as a component in Product Z. Product Z is sold to customers outside the company. The intra-company pricing rule is that the product are transferred among divisions at the standard variable costs assigned to the product plus a 10 percent return on the average inventories and fixed assets assignable to the product. You are required to calculate the transfer price for Products X and Y and calculate the unit standard cost for Products Y and Z. 07

Standard cost per unit	Product X	Product Y	Product Z
Material Purchase Outside	2	3	1
Direct Labour	1	1	2
Variable Overhead	1	1	2
Fixed Overhead per unit	3	4	1
Standard Volume	10,000	10,000	10,000
Inventories (Average)	70,000	15,000	30,000
Fixed Assets (Net)	30,000	45,000	16,000

- Q.3 A. Discuss the Management Control System in Multinational Organizations. 07
- B. Define Variance. What are the limitations of Variance Analysis? 07
- OR
- Q.3 A. Discuss the EVA v/s ROI. What is the use of Budget Preparation Process. 07
- B. What are the informal factors influencing goal congruence in an organization. 07
- Q.4 A. Explain the Management Control Process in Health Care Organizations and Non-profit organizations considering their special characteristics. 07
- B. Discuss Project Planning and control system of projects. 07

OR

- Q.4 A. What is Budgetary Control? Discuss the role of Zero Base Budgeting in Budgetary Control. 07
- B. What are the types of Incentives for Business Unit Managers? 07
- Q.5 Write Short note on (Any Two) : 14
1. Benefits of performance linked reward
 2. Steps in Effective Project Management
 3. Advantages of Profit Centers

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