

MBA-2 Sem.-4 (Evening) Examination

MCS

Time : 2-30 Hours]

May-2025

[Max. Marks : 70

Q-1. What do you mean by Management Control System? Discuss the elements of control process? (14)

Q-2. Product of Ram Enterprises is sold to Shyam Enterprises as it is to be used as component of its products. Product of Shyam Enterprises is sold to Krishna Enterprises which uses it as a component of its products. Product of Krishna Enterprises is sold to customer outside of the company. The intra-company pricing rule is that products are transferred between divisions at standard cost plus a 10 percent return on inventories and fixed assets. From the information provided below, calculate the transfer price for Product of Ram and Shyam Enterprises: (14)

| Standard cost per unit | Product of Ram Enterprises | Product of Shyam Enterprises | Product of Krishna Enterprises |
|---------------------------|----------------------------------|------------------------------------|--------------------------------------|
| 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 |

OR

Q-2. You are appointed as a manager of large-scale company. You have been given a task of measuring and controlling assets employed. How would you do it. Also explain your assistant difference between EVA and ROI and suggest which better measure is for the company. (14)

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Q-3. Explain Engineered Cost Centre and Discretionary Cost Centre and discuss the implications that they create for management control system. (14)

OR

Q-3. How is the control system different for Service based, Project based and Manufacturing organization? Differentiate and discuss. (14)

Q-4. What is Responsibility Centre? Explain the major types of responsibility centers with examples? (14)

OR

Q-4. Budget is an important tool for effective planning and control in an organization. Explain considering the quantitative techniques used in budgeting. (14)

Q-5. Write a note on any two (14)

1. Advantages of Profit Centers
 2. EVA v/s ROI
 3. Management of Control of Project v/s Service Organizations
 4. Limitations of Variance Analysis
 5. Management Compensation
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