

Code: 14E00304

MBA III Semester Regular &amp; Supplementary Examinations November/December 2016

**MANAGEMENT CONTROL SYSTEM**

(For students admitted in 2014 &amp; 2015 only)

Time: 3 hours

Max. Marks: 60

**PART - A**

(Answer the following: (05 X 10 = 50 Marks))

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- 1 What is management control system? What are its goals and advantages? Explain.

**OR**

- 2 What is goal congruence? How do you achieve it? Explain.

- 3 Define responsibility centre. Explain different responsibility centers and their relevance.

**OR**

- 4 What are the uses and limitations of Break-even analysis? Illustrate.

- 5 Define budgetary control. What are the essentials of a successful budgetary control system?

**OR**

- 6 Define flexible budget. What are its merits and limitations? Explain.

- 7 What is standard cost? What are the essentials of designing a standard costing system?

**OR**

- 8 Explain different types of cost variances.

- 9 What is inventory control? What are its objectives? Explain.

**OR**

- 10 Explain different types of inventory control techniques.

**PART - B**

(Compulsory question, 01 X 10 = 10 Marks)

- 11 Case study:

(a) Margin of safety 37.5%.

(b) Contribution ratio 40%.

(c) Fixed cost amounts to Rs. 5 lakhs.

Calculate:

(a) BEP sales.

(b) Total sales.

(c) Total variable costs.

(d) Current profit.

(e) New margin of safety if, sales volume is increased by 7.5%.

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