

**BIRLA INSTITUTE OF TECHNOLOGY, MESRA, RANCHI
(END SEMESTER EXAMINATION)**

**CLASS: MBA
BRANCH: MANAGEMENT**

**SEMESTER : IV
SESSION : SP/2025**

SUBJECT: MT561R1 FINANCIAL PLANNING & CONTROL

TIME: 3 Hours

FULL MARKS: 50

INSTRUCTIONS:

1. The question paper contains 5 questions each of 10 marks and total 50 marks.
 2. Attempt all questions.
 3. The missing data, if any, may be assumed suitably.
 4. Before attempting the question paper, be sure that you have got the correct question paper.
 5. Tables/Data hand book/Graph paper etc. to be supplied to the candidates in the examination hall.
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		CO	BL
Q.1(a)	Explain the concept of Responsibility Accounting. How does it aid in financial control?	[5] 1	2
Q.1(b)	Discuss the key requisites of an effective financial planning system with relevant examples.	[5] 1	3
Q.2(a)	The sales department of a company estimates the following sales for the first four months of the year: January: ₹80,000; February: ₹90,000; March: ₹100,000; April: ₹120,000 Prepare a Cash Budget for February and March, assuming 60% of sales are collected in the same month and the remaining 40% in the following month.	[5] 2	3
Q.2(b)	Distinguish between Fixed Budget and Flexible Budget with suitable examples.	[5] 2	2
Q.3(a)	Explain the techniques used for effective Receivables Management.	[5] 3	2
Q.3(b)	Illustrate the process of Working Capital Estimation using a real-life business scenario.	[5] 3	3
Q.4(a)	Explain the concept of Special Costs and their relevance in managerial decision-making with a practical example.	[5] 4	2
Q.4(b)	A firm has the option to make or buy a component. The cost of making it internally is ₹10 per unit. An external supplier offers to supply it at ₹9 per unit. Fixed overheads of ₹2 per unit will be incurred irrespective of the decision. Which option is better and why?	[5] 4	3
Q.5(a)	Briefly explain the various techniques of management of earnings with reference to any company. Make assumptions if required.	[5] 4	3
Q.5(b)	Compare and contrast financial and non-financial measures of performance evaluation with examples.	[5] 5	2

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