

Duration: 2 hours

MCOM-I - Sem I
Nov-2019

Total Marks: 60

Note: 1. All questions are compulsory.

2. Figures to the right indicate full marks.

- Q1 a. Define Strategic Management. Discuss briefly the process of strategic management. 15
b. "Strategy can be formulated on three different levels". Explain briefly

OR

With the help of examples, explain the various components of business environment in detail. 15

- Q2 a. Explain the turnaround strategy in detail. 15
b. Discuss General Electric (GE) Nine Cell Matrix as a technique of corporate portfolio analysis.

OR

What is budgetary control? Explain its advantages and limitations. 15

- Q3 a. What are the external factors influencing corporate renewal strategy? 15
b. Elaborate on the importance of the strategic alliance.

OR

Elucidate the advantages and limitations of the Information Technology sector in Indian business. 15

- Q4 A. Select the appropriate option and fill in the blanks 5

- 1) Dividend strategy is a ----- strategy.
(Marketing, Human Resource, Financial, Production)
- 2) ----- is a type of internal growth strategy.
(Merger, Acquisition, Foreign Collaboration, Diversification)-
- 3) In ----- model there is a lack of cooperation on the part of the other party.
(Turnkey project, Turnaround, PPP, BCG)
- 4) For disaster response, financial support will be maintained through the -----
(Disaster Relief Emergency Fund, Disaster Remuneration Fund, Disaster Relief ecological Fund, Disaster Relief Environment Fund)
- 5) ----- is the fundamental radical design of business processes.
(Reconciliation, Retrenchment, Revolution, Reengineering)

Q4 B. State whether the following statements are True or False: 5

- 1 Mission is a statement of organisational philosophy.
- 2 ETOP is a technique used for analysing business environment.
- 3 Private Public Partnership projects facilitates in economic growth of nation.
- 4 Business Process Outsourcing is a part of Knowledge Process Outsourcing.
- 5 Natural disasters are bound by borders of a nation or a state.

Q4 C. Match the following: 5

- | | |
|---------------------------|---|
| 1 Functional Strategy | a. Riots |
| 2 Question marks | b. Promotion of entrepreneurship |
| 3 Strategic Alliance | c. High industry growth rate & Low market share |
| 4 Manmade disaster | d. Marketing Strategy |
| 5 Start-up India Movement | e. Joint Venture |

OR

Q4 Write Short Notes on : (Any 3) 5

- 1 Reasons for growing outsourcing in India.
 - 2 Operational Reengineering.
 - 3 Problems of disaster management.
 - 4 Business start-ups.
 - 5 Growth prospects in Make in India model.
-

*M. Com. Sem-I
Nov. - 2019*

4. a) Chose the correct alternatives from the following and rewrite the statements:- (07)

- i) _____ is known as the theory of distribution.
 - a) Product pricing
 - b) Economic welfare
 - c) Factor pricing
 - d) Employment
- ii) Cost owned by the entrepreneurs himself is known as _____ cost.
 - a) Explicit
 - b) Real
 - c) Implicit
 - d) Marginal
- iii) _____ is an universal economic problem.
 - a) Wants
 - b) Resources
 - c) Scarcity
 - d) Abundance
- iv) Market failure take place due to _____.
 - a) Externalities
 - b) Lack of merit goods
 - c) Monopoly power
 - d) All of the above
- v) Macro-economics deals with _____.
 - a) Firm
 - b) Whole economy
 - c) Households
 - d) None of the above
- vi) Production possibility curve consist _____ aspect of production management.
 - a) Opportunity cost
 - b) Scarcity
 - c) Choice
 - d) All of the above
- vii) Marginal product is calculated by _____.
 - a) $\frac{\Delta TU}{\Delta Q}$
 - b) $\frac{\Delta TC}{\Delta Q}$
 - c) $\frac{\Delta TP}{\Delta Q}$
 - d) $\frac{\Delta TR}{\Delta Q}$

b) Give precise meaning of the following :-

- i) Incremental principle
- ii) Economic cost
- iii) Public goods
- iv) Invisible hand

OR

4. Write short notes on any Three of the following :-

- a) Scarcity and efficiency principle
- b) Sources of market failure
- c) Paradox of Bumper harvest
- d) Learning curve
- e) Sources of monopoly power

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M. Com. Sem - I
Nov - 2019

[Time : 2 Hours]

[Marks : 60]

Please check whether you have got the right question paper.

- N.B: 1. All the questions are **compulsory** .
2. **Figures** to the **right** indicate full **marks**

1. Answer any **Two** of the following : 15
a) Explain the need and importance of Business Ethics.
b) Discuss in detail about Ethics Committee.
OR
c) Describe the various approaches to Business Ethics.
d) Discuss the Gandhian approach of Trusteeship.
2. Answer any **Two** of the following : 15
a) Write a note on Ethical practices in finance and accounting.
b) Discuss unethical practices in advenising. ..
OR
c) Define Corporate Governance. Explain its features.
d) Discuss the elements of good corporate governance.
3. Answer any **Two** of the following : 15
a) Write a note on Corporate Philanthropy.
b) Explain in detail the importance^{of CSR} in contemporary society.
OR
c) Comment on the future of CSR in India.
d) Discuss the models for implementation of CSR.
4. State whether the following statements are True or False: 5
a) Business Ethics is different from Business Law. ✖
b) Ads in poor taste are ethical in nature. ✖
c) Timely payment of dues helps to build good relations with suppliers. ✓
d) CSR brings social change in the society. ✓
e) Renewable energy results in greater carbon emissions. ✖

Fill in the blanks with appropriate options: 5

- i. Duty theory is a type _____ theory.
(Deontological, Teleological, Utilitarian)
- ii. _____ refers to fair and just treatment to all stakeholders.
(Equity, MBO, Scalar Chain)
- iii. Triple bottom line consists of three main elements-People, Planet and _____
(Production, Profit, Period)
- iv. The Ethical Trading Initiative was initiated in _____ in 1998.
(England, USA, France)
- v. SA 8000 guidelines are in respect of working conditions in the _____.
(NGO, Supply Chain, Government)

Match the Pairs:

	Group A		Group B
1.	Source of Ethics	a)	Good working conditions. ³
2.	Promotion Ethics	b)	Religion. ¹
3.	CSR towards Employees	c)	Fair Advertising. ²
4.	Analytical Model	d)	Account Ability Organizations ⁵
5.	AA 1000	e)	J. R. P. Daza. ⁴

5

OR

Q.4 • Write short notes (any three)

- a) SA 8000.
- b) Functions of UNDP.
- c) Major Codes on CSR.
- d) UN Global Compact Principles.
- e) CSR through Triple Line in Business.

15

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Time: 2 Hours

Total Marks: 60

- N. B.: (1) All questions are compulsory carrying equal marks.
(2) Support your answer with required working notes.
(3) Round off upto two decimal points.
(3) Use of simple calculator is allowed.

1. From the following information and the assumption that the balance in hand on 1st January is Rs.72,500. Prepare Cash Budget. [15 Marks]

Month	Sales Rs.	Materials Rs.	Wages Rs.	Selling & Distribution Cost Rs.	Production Cost Rs.	Administration Cost Rs.
January	72,000	25,000	10,000	4,000	6,000	1,500
February	97,000	31,000	12,100	5,000	6,300	1,700
March	86,000	25,500	10,600	5,500	6,000	2,000
April	88,600	30,600	25,000	6,700	6,500	2,200
May	1,02,500	37,000	22,000	8,500	8,000	2,500
June	1,08,700	38,800	23,000	9,000	8,200	2,500

Assume that 50% are Cash Sales. Assets are to be acquired in the month of February and April. Therefore provision should be made for the payment of Rs.40,000 and Rs.25,000 for the same. An application has been made to the Bank for the grant of loan of Rs.30,000 and it is hoped that it will be received in the month of May.

It is anticipated that a dividend of Rs.35,000 will be paid in June. Debtors are allowed 1 month credit. Sales Commission @ 2% on Cash Sales and 5% on cash collection from Debtors is to be paid.

Creditors (for Goods or Overheads) grant one month credit.

OR

1. Draw up a flexible budget for overhead expenses on the basis of the following data and determine the overhead rates at 70%, 80% and 90% plant capacity. [15 Marks]

Particulars	80% Capacity Level (Rs.)
Variable Overheads:	
Indirect Labour	12,000
Stores including spares	4,000
Semi-Variable Overheads:	
Power (30% Fixed, 70% Variable)	20,000
Repairs and Maintenance (60% Fixed, 40% Variable)	2,000
Fixed Overheads:	
Depreciation	11,000
Insurance	3,000
Salaries	10,000
Total Overheads	62,000
Estimated Direct Labour Hours	1,24,000 Hours

2. Mr.A owns a bus which runs between Mumbai and Pune and back for 10 days in a month. The distance from Mumbai to Pune is 200 Kms. The bus completes the trip from Mumbai to Pune and back on the same day. The bus goes another 10 days in a month to Ratnagiri and the distance covered being 350 Kms. The trip is also completed on the same day. For the rest of 4 days it runs in the local city. Daily distance covered in local city is 100 Kms. [15 Marks]

Calculate the rate Mr. A should charge per trip from passenger when he wants to earn a profit of 50% on cost.

The other particulars are given below:

Cost of Bus	Rs.9,00,000
Depreciation	20% per annum
Salary of Driver	Rs.6,000 per month
Salary of Conductor	Rs.5,000 per month
Salary of Accountant	Rs.2,000 per month
Diesel Consumption	6 Kms per litre costing Rs.8 per litre
Tax	Rs.9,600 per annum
Repairs	Rs.3,000 per month

Normal capacity of the bus is 50 Passengers

The bus is generally occupied 90% of the capacity when it goes to Pune and 80% when it goes to Ratnagiri. It is always full when it runs within the city.

OR

2. A manufacturing company uses the following standard mix of their compound in one batch of 100 kgs of its production line: **[15 Marks]**

50 kgs of material X at the standard price of Rs.2

30 kgs of material Y at the standard price of Rs.3

20 kgs of material Z at the standard price of Rs.4

The actual mix for a batch of 110 kgs was as follows:

60 kgs of material X at the price of Rs.3

40 kgs of material Y at the price of Rs.2.5

10 kgs of material Z at the price of Rs.3

Calculate the different material variances.

3. Following information is furnished by Himesh Ltd: **[15 Marks]**

	Sales	Profit
Year 2017	Rs 1,20,000	Rs. 8,000
Year 2018	Rs 1,40,000	Rs. 13,000

Find out:

- Profit Volume Ratio.
- Break Even Point (BEP).
- Profit when sales are Rs 1,80,000.
- Sales to earn profit of Rs. 12,000
- Margin of Safety in the year 2018.

OR

3. Following information has been made available from the cost records of a company manufacturing spare parts: **[15 Marks]**

Particulars	Per Units
<u>Direct Materials:</u>	
-A	Rs.8
-B	Rs.6
<u>Direct Wages:</u>	
-A	4 hours at Rs.2 per hour
-B	6 hours at Rs.2 per hour
Variable Overheads	150% of wages
Fixed Overheads	Rs.750
Selling Price of A	Rs.30
Selling Price of B	Rs.35

The directors want to be acquainted with the desirability of adopting any one of the following alternative sales mixes in the budget for the next period:

- (i) 250 units of A and 250 units of B
- (ii) 400 units of B only
- (iii) 400 units of A and 100 units of B
- (iv) 150 units of A and 350 units of B

State which of the alternative sales mixes you would recommend to the management.

4. (A) Rewrite the entire sentence selecting the most appropriate alternative with the given serial no.s without altering the order/sequence: **[08 Marks]**

1. Contribution is equal to _____.

- (a) Fixed Cost + Profit
- (b) Sales – Variable Cost ✓
- (c) Fixed Cost – Loss
- (d) All the above

2. An estimate of what cost should be is known as _____

- (a) Actual Cost
- (b) Ideal Cost ✓
- (c) Standard Cost ✓
- (d) Forecast Cost

3. The classification of fixed and variable cost has a special significance in the preparation of _____

- (a) Flexible Budget
- (b) Cash Budget
- (c) Capital Budget
- (d) Zero-Based Budget

4. _____ Costing is the method used to ascertain the cost of providing a service such as transport, hotel, hospital, gas or electricity.

- (a) Contract
- (b) Operating
- (c) Process
- (d) Job

5. Material Cost Variance is equal to _____

- (a) MPV + MUV
- (b) MUV + MYV
- (c) MYV + MPV
- (d) MPV + MUV + MYV

6. Excess of actual cost over standard cost is a _____

- (a) Favourable Variance
- (b) Unfavourable Variance ✓
- (c) Abnormal Gain
- (d) None of the above

7. Variable cost _____
 (a) Remain fixed
 (b) Varies per unit
 (c) Remains fixed per unit
 (d) None of these
8. Cost of petrol is _____
 (a) Fixed cost
 (b) Running cost
 (c) Semi variable cost
 (d) None of these

(B) Match the following by rewriting the columns A & B by matching on an overall most appropriate basis:

[07 Marks]

A	B
1. Marginal Cost ^c	a. Future Oriented
2. BEP	b. Per Passenger –K.M
3. Cost reduction ^F	c. Variable Cost
4. Idle time variance	d. No profit, No loss stage
5. Master Budget	e. Summary of all functional budgets
6. Budget	f. Process of reducing cost
7. Passenger transport ^b	g. Always Unfavourable

OR

4. Write Short Notes on any Three:

[15 Marks]

1. P/V Ratio
2. Applicability of Standard Costing
3. Objectives of Budgetary Control
4. Operating Costing of Transport Services
5. Functions of a Cash Budget
