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Name.....

Reg. No.....

**FIRST SEMESTER M.Com. DEGREE (C.B.C.S.S.) [REGULAR /
SUPPLEMENTARY] EXAMINATION, NOVEMBER 2022**

MCM 1C 01—BUSINESS ENVIRONMENT AND POLICY

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

Part A

Answer any four questions.

Each question carries 2 weightage.

1. Define Business Environment.
2. What is Trade Unions ?
3. What do you mean by Budget ?
4. What is Inflation ?
5. What is FII ?
6. What do you understand by CRYPTO currency ?
7. What is Land Pollution ?

(4 × 2 = 8 weightage)

Part B

Answer any four questions.

Each question carries 3 weightage.

8. Describe the meaning and objectives of NITI Ayog.
9. Discuss the merits and demerits of Privatisation.
10. Distinguish between Fiscal policy and Monetary policy.
11. Explain the meaning and benefits of GST.
12. Discuss the meaning and objectives of FEMA
13. Describe the meaning and functions of SEZ.
14. Explain the meaning and causes of Air Pollution.

(4 × 3 = 12 weightage)

Turn over

Part C

Answer any two questions.

Each question carries 5 weightage.

15. Explain the factors influencing the Business Environment.
16. What is Liberalisation ? Explain its advantages and Disadvantages.
17. FDI in Retail sector in India is Boon or Bane ? – Discuss.
18. Write notes on the following :
 - (i) Kasturi Rangan Report.
 - (ii) Environment Protection Act, 1986.

(2 × 5 = 10 weightage)

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**FIRST SEMESTER M.Com. DEGREE (C.B.C.S.S.) [REGULAR /
SUPPLEMENTARY] EXAMINATION, NOVEMBER 2022**

MCM 1C 02—CORPORATE GOVERNANCE AND BUSINESS ETHICS

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

Part A

Answer any four questions.

Each question carries 2 weightage.

1. What is work ethics ?
2. What is cultural diversity ?
3. What is social audit ?
4. What is Whistle Blowing ?
5. What do you mean by Corporate excellence ?
6. Who is an Independent Director ?
7. What is green governance ?

(4 × 2 = 8 weightage)

Part B

Answer any four questions.

Each question carries 3 weightage.

8. What are the objectives of Corporate Governance ?
9. What are the ethical practices in HRM ?
10. "Stake holders theory presents in broader view" critically evaluate the statement.
11. State the SEBI's guidelines on Corporate Governance.
12. What are the principles of Business Ethics ?
13. Briefly explain the recommendations of Cadburry Committee Report.
14. Explain the need for IFRS.

(4 × 3 = 12 weightage)

Turn over

Part C

Answer any two questions.

Each question carries 5 weightage.

15. Discuss in detail the ethical issues in Marketing.
16. What are the principles or codes of Corporate governance suggested by various committees in Indian scenario ?
17. Explain the major Corporate governance systems.
18. Explain in detail various challenges in effectively implementing good governance policies in the Indian context.

(2 × 5 = 10 weightage)

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**FIRST SEMESTER M.Com. DEGREE (C.B.C.S.S.) [REGULAR /
SUPPLEMENTARY] EXAMINATION, NOVEMBER 2022**

MCM 1C 02—CORPORATE GOVERNANCE AND BUSINESS ETHICS

(2019 Admission onwards)

[Improvement Candidates need not appear for MCQ Part]

(Multiple Choice Questions for SDE Candidates)

Time : 20 Minutes

Total No. of Questions : 20

Maximum : 5 Weightage

INSTRUCTIONS TO THE CANDIDATE

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. The candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
3. Each question is provided with choices (A), (B), (C) and (D) having one correct answer. Choose the correct answer and enter it in the main answer-book.
4. The MCQ question paper will be supplied after the completion of the descriptive examination.

MCM 1C 02—CORPORATE GOVERNANCE AND BUSINESS ETHICS -
(Multiple Choice Questions for SDE Candidates)

1. Fraudulent trading may be :
 - (A) A criminal offence committed only by directors of a limited company.
 - (B) A civil and a criminal offence committed by an employee.
 - (C) A civil and a criminal offence committed only by directors of a limited company.
 - (D) A civil offence committed by an employee.
2. According to clause 49 on independent directors. What should be minimum age of independent director :
 - (A) 21.
 - (B) 22.
 - (C) 23.
 - (D) 24.
3. According to section 179 which one of the following is a power of director ?
 - (A) To buy back its shares.
 - (B) Sell lease or otherwise dispose of the undertakings of the company.
 - (C) Remit or give time for the repayment of any debt due by a director.
 - (D) Making political contributions exceeding specified limits.
4. Which of the following regarding corporate governance is correct ?
 - (A) Corporate governance can temper growth.
 - (B) Good corporate governance can result in excessive risk-taking.
 - (C) Corporate governance often result in prompt and effective decision-making.
 - (D) The aim of corporate governance is to protect the interests of shareholders and the local economies.
5. Triple Bottom Line reporting refers to :
 - (A) Using a low, medium and high estimates for profitability forecasts.
 - (B) Measuring the impact of the firm on stockholders, customers and employees.
 - (C) Measuring the social, environmental, and financial performance of the firm.
 - (D) Measuring the impact of local, state, and federal governments on the firm.
6. An example of a whistle blower whose actions were a form of internal government whistleblowing is :
 - (A) Sherron Watkins.
 - (B) Coleen Rowley.
 - (C) Cynthia Cooper.
 - (D) Lee Iacocca.
7. Inside traders ordinarily defend their actions by claiming that they don't injure :
 - (A) Their boss.
 - (B) Their family.
 - (C) The government.
 - (D) Any one.

8. What is meant by the phrase 'teleological ethics' ?
- (A) Is used to judge if an action is right, fair and honest.
 - (B) An action can only be judged by its consequences.
 - (C) Developing the individual personal characteristics.
 - (D) The key purpose of ethics is to increase freedom.
9. Why, according to stakeholder theory, is it in companies' best interests to pay attention to their stakeholders ?
- (A) If firms only act in their own self-interest employees may feel exploited.
 - (B) If firms only act in their own self-interest government might put more regulation on them.
 - (C) If firms only act in their own self-interest customers might not like the image that the company portray.
 - (D) If firms only act in their own self-interest and inflict harm on stakeholders then society might withdraw its support.
10. Which of the following would most effectively act as the primary objective of a business organisation ?
- (A) To make a profit.
 - (B) To procure resources.
 - (C) To communicate with shareholders.
 - (D) To mediate between the organisation and the environment.
11. Which of the following is an example of an area where business ethics apply ?
- (A) Conduct of international operations.
 - (B) Nowhere.
 - (C) In the personal life of staff.
 - (D) None of the above.
12. Stakeholders are considered more important to an organization when :
- (A) They can make use of their power on the organization.
 - (B) They do not emphasize the urgency of their issues.
 - (C) Their issues are not legitimate.
 - (D) They can express themselves articulately.
13. What type of justice exists if employees are being open, honest, and truthful in their communications at work ?
- (A) Procedural.
 - (B) Distributive.
 - (C) Ethical.
 - (D) Interactional.

Turn over

14. The social economy partnership philosophy emphasizes :
- (A) Co-operation and assistance. (B) Profit maximization.
(C) Competition. (D) Restricting resources and support.
15. The first step in the auditing process should be to secure the commitment of :
- (A) Employees. (B) Top executives and directors.
(C) Stockholders. (D) Customers.
16. Directors' responsibilities are unlikely to include :
- (A) A fiduciary duty.
(B) A duty to keep proper accounting records.
(C) A duty to propose high dividends for shareholders.
(D) A duty of care.
17. Fraudulent trading may be :
- (A) A civil offence committed by any employee.
(B) A criminal offence committed only by directors of a limited company.
(C) A civil and a criminal offence committed only by directors of a limited company.
(D) A civil and a criminal offence committed by any employee.
18. The modern corporation has four characteristics. These are limited liability, legal personality, centralized management and :
- (A) Fiduciary duty. (B) Stakeholders.
(C) Shareholders. (D) Transferability.
19. Where an organization takes into account the effect its strategic decisions have on society, this is known as :
- (A) Corporate governance. (B) Business policy.
(C) Business ethics. (D) Corporate social responsibility.
20. Applying social criteria to an investment decision refers to _____.
- (A) Socioeconomic view. (B) Social responsiveness.
(C) Social responsibility. (D) Social screening.

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**FIRST SEMESTER M.Com. DEGREE (CBCSS) REGULAR/SUPPLEMENTARY
EXAMINATION, NOVEMBER 2022**

MCM 1C 03—QUANTITATIVE TECHNIQUES FOR BUSINESS DECISIONS

(2019 Admission onwards)

Time : Three Hours

Maximum Weightage : 30

Part A

Answer any four questions.

Each question carries a weightage 2.

1. Define binomial distribution.
2. What is statistical estimation ?
3. What is Type II Error ?
4. What is ANOVA ?
5. What is coefficient of determination ?
6. What is degree of freedom ?
7. Briefly explain the uses of MS Excel in quantitative methods.

(4 × 2 = 8 weightage)

Part B

Answer any four questions.

Each question carries a weightage 3.

8. The ranking of 10 students in two subjects A and B are as follows :

A : 6 5 3 10 2 4 9 7 8 1

B : 3 8 4 9 1 6 10 7 5 2

Calculate rank correlation coefficient.

9. The equations of two lines of regression obtained in a correlation analysis are the following :

$$2x = 8 - 3y \text{ and } 2y = 5 - x.$$

Obtain the value of the correlation coefficient.

10. A coin is tossed six times. What is the probability of obtaining four or more heads ?

Turn over

11. The income distribution of workers in a certain factory was found to be normal with mean =Rs. 1,000 and $sd=Rs. 100$. There were 180 persons getting above Rs. 1,200. How many persons were there all ?
12. In a simple random sample of 600 men taken from a big city, 400 are found to be smokers. In another simple random sample of 900 men taken from another city 450 are smokers. Do the data indicate that there is a significant difference in the smoking habits in the two cities ?
13. A random sample of size 16 has 53 as mean. The sum of the squares of the deviations taken from mean is 135. Can this sample be regarded as taken from the population having 56 as mean ? Obtain 95 % confidence limits (for $\nu = 15, t_{0.05} = 2.13$).
14. Total of the product of deviations of X and Y series = 3044
 Number of pairs of observations = 10
 Total of the deviations of X series = - 170
 Total of the deviations of Y series = - 20
 Total of the squares of deviations of X series = 8288.
 Total of the squares of deviations of Y series = 2264
 Find out the coefficient of correlation when the assumed means of X series and Y series are 82 and 68 respectively.

(4 × 3 = 12 weightage)

Part C*Answer any two questions.**Each question carries a weightage 5.*

15. In a certain examination the percentage of passes and distinctions were 46 and 9 respectively. Estimate the average marks obtained by the candidates, the minimum pass and distinction marks being 40 and 75 respectively. (assume the distribution of marks to be normal).
 Also determine what would have been the minimum qualifying marks for admission to a re-examination of the failed candidates had it been decided that the 25 % of them should be given another opportunity of being examined.
16. Suppose you are working as a purchase manager for a company. The following information has been supplied to you by two manufactures of electric bulb :

	Company A	Company B
Mean life (in hours)	1300	1248
Standard deviation (in hours) ...	82	83
Sample size	100	100

Which brand are you going to purchase if you desire to take a risk to 5 % ?

17. From the following data, obtain the two regression equations :

Sales : 91 97 108 121 67 124 51 73 111 57

Purchase : 71 75 69 97 70 91 39 61 80 47

18. What is normal distribution ? What are its properties ?

(2 × 5 = 10 weightage)

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**FIRST SEMESTER M.Com. DEGREE (CBCSS) [REGULAR/SUPPLEMENTARY]
EXAMINATION, NOVEMBER 2022**

**MCM 1C 03—QUANTITATIVE TECHNIQUES FOR BUSINESS DECISIONS
(2019 Admission onwards)**

[Improvement Candidates need not appear for MCQ Part]

(Multiple Choice Questions for SDE Candidates)

Time : 20 Minutes

Total No. of Questions : 20

Maximum : 5 Weightage

INSTRUCTIONS TO THE CANDIDATE

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
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MCM 1C 03—QUANTITATIVE TECHNIQUES FOR BUSINESS DECISIONS

(Multiple Choice Questions for SDE Candidates)

1. _____ attempts to determine the degree of relationship between variables.
 - (A) Regression analysis.
 - (B) Correlation analysis.
 - (C) Inferential analysis.
 - (D) None of these.
2. If all the dots of a scatter diagram lie on a straight line falling from left bottom corner to the right upper corner, the correlation is called _____.
 - (A) Zero correlation.
 - (B) High degree of positive correlation.
 - (C) Perfect negative correlation.
 - (D) Perfect positive correlation.
3. If $r = 1$, the correlation is said to be _____.
 - (A) High degree of + ve correlation.
 - (B) High degree of - ve correlation.
 - (C) Perfect + ve correlation.
 - (D) Perfect - ve correlation.
4. The unit of Coefficient of correlation is _____.
 - (A) Percentage.
 - (B) Ratio.
 - (C) Same unit of the data.
 - (D) No unit.
5. The rank correlation coefficient is always _____.
 - (A) + 1.
 - (B) - 1.
 - (C) 0.
 - (D) Between + 1 and - 1.
6. If r is the simple correlation coefficient, the quantity r^2 is known as _____.
 - (A) Co-efficient of determination.
 - (B) Co-efficient of non-determination.
 - (C) Co-efficient of alienation.
 - (D) None of these.
7. The point of intersection of two regression lines is _____.
 - (A) (0, 0).
 - (B) (1, 1).
 - (C) (x, y).
 - (D) (\bar{x}, \bar{y}) .

8. The property that $b_{xy} > 1$ implies that $b_{xy} < 1$ is known as _____.
- (A) Fundamental property. (B) Magnitude property.
(C) Signature property. (D) None of these.
9. Arithmetic mean of the two regression coefficients is :
- (A) Equal to correlation co-efficient.
(B) Greater than correlation co-efficient.
(C) Less than correlation co-efficient.
(D) Equal to or greater than correlation co-efficient.
10. Type II error means _____.
- (A) Accepting a true hypothesis. (B) Rejecting a true hypothesis.
(C) Accepting a wrong hypothesis. (D) Rejecting a wrong hypothesis.
11. A sample is treated as large sample, when its size is _____.
- (A) More than 100. (B) More than 75.
(C) More than 50. (D) More than 30.
12. When sample is small, _____ test is applied ?
- (A) t -test. (B) Z-test.
(C) F-test. (D) None of these.
13. Testing of hypotheses $H_0 : \mu = 65$ vs. $H_1 : \mu < 65$, is a _____ test.
- (A) One sided left tailed test. (B) One sided right tailed test.
(C) Two tailed test. (D) None of these.
14. The geometric mean of the two regression coefficient, b_{xy} and b_{yx} is equal to :
- (A) R. (B) r^2 .
(C) 1. (D) None of the above.
15. Degrees of freedom for Chi-square test in case of contingency table of order (4×3) is :
- (A) 4. (B) 3.
(C) 6. (D) 7.

Turn over

16. If the discrepancy between observed and expected frequencies are greater, _____ will be the chi-square value.
- (A) Greater. (B) Smaller.
(C) Zero. (D) None of these.
17. Non-parametric test is :
- (A) Distribution free test.
(B) Not concerned with parameter.
(C) Does not depend on the particular form of the distribution.
(D) All of these.
18. Runs test was designed by _____.
- (A) Kruskal and Wallis. (B) Kolmogorov and Smirnov.
(C) Wald wolfowitz. (D) Karl Pearson.
19. What type of chart will be used to plot the number of defective in the output of any process ?
- (A) \bar{x} chart. (B) R chart.
(C) C chart. (D) P chart.
20. The control charts used for the number of defects per unit is :
- (A) Range chart. (B) P-chart.
(C) C-chart. (D) Mean chart.

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**FIRST SEMESTER M.Com. DEGREE (C.B.C.S.S.) [REGULAR /
SUPPLEMENTARY] EXAMINATION, NOVEMBER 2022**

MCM 1C 04—MANAGEMENT THEORY AND ORGANIZATIONAL BEHAVIOUR

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

Section A

Answer any four questions.

Each question carries 2 weightage.

1. What is TQM ?
2. What do you mean by planning premises ?
3. What is social perception ?
4. What is inter- personal conflict ?
5. What do you mean by group norms ?
6. Define Organisational Behaviour.
7. What do you mean by team management ?

(4 × 2 = 8 weightage)

Section B

Answer any four questions.

Each question carries 3 weightage.

8. What are the barriers of effective communication ?
9. Explain the features of scientific management.
10. What are the different determinants of personality ?
11. Explain the process of controlling.
12. What are the key elements of Organisational Behaviour ?
13. How we can overcome the resistance to change in an organization ?
14. What are the bases and sources of power ?

(4 × 3 = 12 weightage)

Turn over

Section C

Answer any two questions.

Each question carries 5 weightage.

15. Define Leadership. Explain the different theories of leadership.
16. Explain Motivation. Discuss the different theories of motivation.
17. Define Group. Explain the different types of groups.
18. What do you mean by planning ? Explain the purpose and process of planning.

(2 × 5 = 10 weightage)

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**FIRST SEMESTER M.Com. DEGREE (C.B.C.S.S.) [REGULAR/
SUPPLEMENTARY] EXAMINATION, NOVEMBER 2022**

MCM 1C 04—MANAGEMENT THEORY AND ORGANIZATIONAL BEHAVIOUR
(2019 Admission onwards)

[Improvement Candidates need not appear for MCQ Part]

(Multiple Choice Questions for SDE Candidates)

Time : 20 Minutes

Total No. of Questions : 20

Maximum : 5 Weightage

INSTRUCTIONS TO THE CANDIDATE

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MCM 1C 04—MANAGEMENT THEORY AND ORGANIZATIONAL BEHAVIOUR

(Multiple Choice Questions for SDE Candidates)

1. _____ refers to the negotiation or an agreement between two groups
 - (A) Contracting.
 - (B) Co-opting.
 - (C) Pressure Tactics.
 - (D) None of these.
2. The cognitive process through which an individual selects, organizes but misinterprets environmental stimuli is known as :
 - (A) Perception.
 - (B) Projection.
 - (C) Selective Perception.
 - (D) Mis-Perception.
3. Concept of MBO was introduced by :
 - (A) Peter. F.Drucker.
 - (B) Mary Parker.
 - (C) Henry Fayol.
 - (D) Philip Kotler.
4. The concept of Work- Week is related with :
 - (A) Quality of Work Life.
 - (B) Quality Circle.
 - (C) Alternative Work Schedule.
 - (D) Job Redesign.
5. Goal setting theory is pioneered by :
 - (A) Stacy Adams.
 - (B) Charms.
 - (C) Edwin Locke.
 - (D) FW Taylor.
6. Which of the following researchers thought that reinforcement was the central factor involved in behavioural change ?
 - (A) Pavlov.
 - (B) Fayol.
 - (C) Skinner.
 - (D) Deming.
7. According to Katz, when managers have the mental ability to analyze and diagnose complex situations, they possess skills.
 - (A) Technical.
 - (B) Leadership.
 - (C) Problem-solving.
 - (D) Conceptual.

8. Behaviour, power, and conflict are central areas of study for _____.
- (A) Sociologist. (B) Anthropologists.
(C) Social Psychologists. (D) Operations Analysts.
9. Science that focuses on the influence people have on one another is :
- (A) Psychology. (B) Anthropology.
(C) Political Science. (D) Social Psychology.
10. In _____ in fact "No leadership at all" :
- (A) Democratic. (B) Autocratic.
(C) Free rein. (D) Bureaucratic.
11. Path-goal model of Leadership was introduced by :
- (A) Martin Evans and Robert House. (B) Fred Fielder.
(C) Whetton. (D) Cameron.
12. Maslow's "basic needs" are also known as :
- (A) Social needs. (B) Esteem needs.
(C) Safety needs. (D) Physiological needs.
13. An enduring attribute of a person that appears constantly in a variety of situation is :
- (A) Behavior. (B) Trait
(C) Attitude. (D) Culture.
14. According to operant conditioning, when behaviour is not reinforced, what happens to the probability of that behaviour occurring again ?
- (A) It increases. (B) It declines.
(C) It remains unchanged. (D) It becomes zero.
15. When a bank robber points a gun at bank manager, his base of power is :
- (A) Coercive. (B) Punitive.
(C) Positional. (D) Authoritative.

Turn over

16. What is the most relevant application of perception concepts to OB ?
- (A) The perceptions people form about each other.
 - (B) The perceptions people form about their employer.
 - (C) The perceptions people form about their culture.
 - (D) The perceptions people form about society.
17. Most of the learning that takes place in the Class room is :
- (A) Classical conditioning.
 - (B) Operant conditioning.
 - (C) Cognitive learning.
 - (D) Social learning.
18. Extent to which individuals consistently regard themselves as capable, worthy, successful etc. is :
- (A) Self Esteem.
 - (B) Authoritarianism.
 - (C) Tolerance for Ambiguity.
 - (D) Workhollism.
19. Basis of "Autocratic Model of OB" is :
- (A) Economic Resources.
 - (B) Power.
 - (C) Leadership.
 - (D) Partnership.
20. Employees needs met by Collegial Model is :
- (A) Subsistence.
 - (B) Security.
 - (C) Status and Recognition.
 - (D) Self-Actualization.

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FIRST SEMESTER M.Com. (CBCSS) [REGULAR/SUPPLEMENTARY] DEGREE
EXAMINATION, NOVEMBER 2022

MCM 1C 05—ADVANCED MANAGEMENT ACCOUNTING

(2019 Admission onwards)

Time : Three Hours

Maximum Weightage : 30

Part A

Answer any **four** questions.
Each question carries 2 weightage.

1. What is residual income ?
2. What is cost centre ?
3. Explain the limitation of management accounting.
4. What is zero based budgeting ?
5. What is systematic risk ?
6. What is variance ?
7. What is marginal costing ?

(4 × 2 = 8 weightage)

Part B

Answer any **four** questions.
Each question carries 3 weightage.

8. A company manufacturers and markets three products X, Y and Z. All the three products are made from the same set of machines. Production is limited by machine capacity. From the data given below, indicate priorities for products X, Y and Z with a view to maximizing profits :

Particulars	(₹ per unit)		
	X	Y	Z
Raw material	11.25	16.25	21.25
Direct labour	2.50	2.50	2.50
Other variable cost	1.50	2.25	3.55
Selling price	25.00	30.00	35.00
Standard machine time required per unit in minutes	39	20	28

Turn over

9. Differentiate between Financial Accounting and Management Accounting.
10. ABC Ltd., and MNO Ltd., sell identical products in identical markets. Their budgeted income statement for the year 2016-17 are as follows :

Particulars	ABC	MNO
Sales	5,00,000	6,00,000
Less : Variable cost	4,00,000	1,80,000
Contribution	1,00,000	4,20,000
Less : Fixed cost	20,000	2,70,000
Budgeted profit	80,000	1,50,000

Calculate :

- BEP for each company.
 - Sales at which each company will earn a profit of ₹ 60,000.
 - Sales at which both companies will have same profits.
 - Which company will earn more when (i) heavy demand ; (ii) low demand ?
11. Suppose a company has three projects viz., A, B and C which shows positive NPV. But the company does not have enough money to invest all three projects. So it decides by the management to know which project increases the financial position of the company. Find out NPV with the help of risk adjusted discount rate :

Particulars	Initial investment	1st year	2nd year	3rd year	Risk free rate	Risk premium
Project A	56,000	25,000	10,000	15,000	2	5
Project B	50,000	32,000	12,000	41,000	1.2	4
Project C	85,000	12,000	30,000	53,000	3	7

12. What is decision tree ? Explain the advantages and disadvantages of decision tree.
13. From the following data, calculate variable overhead variances :

	Budgeted	Actual
Variable overhead	₹ 2,50,000	₹ 2,60,000
Output in units	₹ 25,000	₹ 20,000
Working hours	1,25,000	1,10,000

14. Explain various methods of measuring the performance of a company. Discuss the problem in connection with the performance measurement.

(4 × 3 = 12 weightage)

Part C

Answer any **two** questions.

Each question carries 5 weightage.

15. Selling price per unit ₹ 10, variable cost per unit ₹ 4, Fixed costs ₹ 35,000. Calculate New B.E.P. in each of the following cases :
- If selling price is reduced by 20 %.
 - If variable cost is decreased by 25 %.
 - If fixed cost is increased by 20 %.
 - If selling price and variable cost are decreased by 20 % and 25 % respectively and fixed cost is increased by 20 %.
16. Calculate all the material cost variances from the following information :

	Standard		Actual	
	Qty	Unit price	Qty	Unit price
Material A	30 kg.	₹ 20	44 kg.	₹ 25
Material B	20 kg.	₹ 10	66 kg.	₹ 5
Output	45 kg.		90 kg.	

17. Briefly explain the steps involved in the installation of standard costing.
18. Project P and Q are analysed and you have determined the following parameters. Advise the investor on the choice of a project :

Particulars	Project P	Project Q
Investment	₹ 7 Cr.	₹ 5 Cr.
Project life	8 years	10 years
Constriction period	3 years	3 years
Cost of capital	15 %	18 %
N.P.V. @ 12 %	₹ 3,700	₹ 4,565
N.P.V. @ 18 %	₹ 325	₹ 325
Rate of return	45 %	32 %
Payback	18 %	25 %
B.E.P.	4 years	6 years
Profitability index	45 %	30 %
	1.76	1.35

(2 × 5 = 10 weightage)

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(Pages : 4)

Name.....

Reg. No.....

**FIRST SEMESTER M.Com. (CBCSS) DEGREE (REGULAR/SUPPLEMENTARY)
EXAMINATION, NOVEMBER 2022**

MCM 1C 05—ADVANCED MANAGEMENT ACCOUNTING

(2019 Admission onwards)

[Improvement Candidates need not appear for MCQ Part]

(Multiple Choice Questions for SDE Candidates)

Time : 20 Minutes

Total No. of Questions : 20

Maximum : 5 Weightage

INSTRUCTIONS TO THE CANDIDATE

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. The candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
3. Each question is provided with choices (A), (B), (C) and (D) having one correct answer. Choose the correct answer and enter it in the main answer-book.
4. The MCQ question paper will be supplied after the completion of the descriptive examination.

MCM 1C 05—ADVANCED MANAGEMENT ACCOUNTING

(Multiple Choice Questions for SDE Candidates)

1. Which of the following are advantages of marginal costing ?
 - (A) Makes the process of cost accounting more simple.
 - (B) Helps in proper valuation of closing stock.
 - (C) Useful for standard and budgetary control.
 - (D) All of the above.
2. The valuation of stock in marginal costing as compared to absorption costing is :
 - (A) Higher.
 - (B) Lower.
 - (C) Same.
 - (D) None of the above.
3. _____ is concerned with providing information to management for taking managerial decisions.
 - (A) Management Accounting.
 - (B) Financial accounting.
 - (C) Cost accounting.
 - (D) All of these.
4. A document that records the standard cost of a single unit of product is known as :
 - (A) Bill of materials.
 - (B) Bill of product.
 - (C) Standard cost card.
 - (D) Product expense card.
5. As production increases within the relevant range.
 - (A) Variable costs will vary on a per unit basis.
 - (B) Variable costs will vary in total.
 - (C) Fixed costs will vary in total.
 - (D) Fixed and variable cost stays the same in total.
6. A management concept under which all managers and employees at all stages of company operations strive toward higher standards and a reduced number of defective units are called :
 - (A) Continuous Improvement.
 - (B) Total Quality Management (TQM).
 - (C) Theory of Constraints (TOC).
 - (D) Total Quality Control (TQC).

7. During the month of January, the standard cost of actual hours worked amounted to Rs. 25,000, the standard direct labor rate was Rs. 10 per hour and the direct labor efficiency variance amounted to Rs. 1,000 favorable. The standard hours allowed for actual production were :
- (A) 2,500 hours. (B) 2,400 hours.
(C) 10,000 hours. (D) 2,600 hours.
8. A situation in which a decision maker must choose between strategies that have more than one possible outcome when the probability of each outcome is unknown is referred to as :
- (A) Diversification. (B) Certainty.
(C) Risk. (D) Uncertainty.
9. Which of the following is a way to deal with decision making under uncertainty ?
- (A) Simulation.
(B) Diversification.
(C) Acquisition of additional information.
(D) Application of the maximin criterion.
10. Match the following general applications of performance assessment with their specific purposes.
- | | |
|---|--|
| I. Administrative Uses / Decisions | — A. Performance Feedback. |
| II. Documentation | — B. Lay-offs. |
| III. Organizational Maintenance/ Objectives | — C. Helping to meet legal requirements. |
| IV. Developmental Uses | — D. Evaluation of HR systems. |
- (A) I-C, II-D, III-B, IV-A. (B) I-B, II-C, III-D, IV-A.
(C) I-B, II-C, III-D, IV-D. (D) I-A, II-B, III-D, IV-C.
11. How performance appraisal can contribute to a firm's competitive advantage ?
- (A) Ensures legal compliances.
(B) Minimizing job dissatisfaction and turnover.
(C) Improves performance.
(D) All of the above.
12. Which of the following is not likely to be a reason of unfavorable direct labor efficiency variance ?
- (A) Increase in direct materials prices.
(B) Lack of proper supervision.
(C) Frequent break downs during production process.
(D) Use of old, outdated or faulty equipment.

Turn over

13. The cause(s) of idle time can be analysed as :
- (A) Administrative causes. (B) Productive causes.
(C) Economic causes. (D) All of the above.
14. Which of the following cannot be a reason of unfavorable direct materials quantity variance ?
- (A) Unmotivated workers. (B) Lack of supervision.
(C) Frequent power failures. (D) Uneconomical order size.
15. Sales Budget is a forecast expressed in :
- (A) Quantity. (B) Money.
(C) Both (A) and (B). (D) None of the above.
16. Who coined the concept of management accounting ?
- (A) R.N Anthony. (B) James H. Bliss.
(C) J. Batty. (D) American Accounting Association.
17. What would be the most likely cause of an unfavourable labour rate variance together with a favourable labour efficiency variance ?
- (A) The employment of more highly skilled staff than budgeted.
(B) Poor wage negotiation by the Human Resources manager.
(C) The employment of less well-trained staff than in.
(D) Improved production efficiencies.
18. The responsibility accounting stresses on _____.
- (A) Decentralization. (B) Centralization.
(C) Both (A) and (B). (D) None of these.
19. The responsibility accounting is a controlling tool for _____.
- (A) Top-level management. (B) Lower level management.
(C) Middle level management. (D) None of these.
20. If the responsibility centre gets more revenue from output, then it is called _____.
- (A) Investment centre. (B) Cost centre.
(C) Profit centre. (D) Expense centre.