

Free of Cost

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SCANNER™ Appendix

PCC Gr. II
November - 2009

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PAPER'S

Paper - 4 : Cost Accounting and Financial Management

PART - A : Cost Accounting

Chapter-1 : Basic Concepts

2009 - Nov [1] (i) Define the following :

- (a) Imputed cost
- (b) Capitalised cost. (2 marks)

Chapter-2 : Material

2009 - Nov [4] Answer the following :

- (iii) The following information relating to a type of Raw material is available:

Annual demand	2000 units
Unit price	Rs. 20.00
Ordering cost per order	Rs. 20.00
Storage cost	2% p.a.
Interest rate	8% p.a.
Lead time	Half-month

Calculate economic order quantity and total annual inventory cost of the raw material. (3 marks)

Chapter-3 : Labour

2009 - Nov [4] Answer the following :

- (i) Standard Time for a job is 90 hours. The hourly rate of Guaranteed wages is Rs. 50. Because of the saving in time a worker gets an effective hourly rate of wages of Rs. 60 under Rowan premium bonus system. For the same saving in time, calculate the hourly rate of wages

a worker B will get under Halsey premium bonus system assuring 40% to worker. (3 marks)

Chapter-6 : Reconciliation of Cost and Financial Accounts

2009 - Nov [1] Answer the following :

- (iii) List the Financial expenses which are not included in cost. (2 marks)
- (vi) When is the reconciliation statement of Cost and Financial accounts not required ? (2 marks)

Chapter-8 : Contract Costing

2009 - Nov [1] Answer the following :

- (iv) Mention the main advantage of cost plus contracts. (2 marks)

Chapter-9 : Operating and Multiple Costing

2009 - Nov [4] Answer the following :

- (ii) Explain briefly, what do you understand by Operating Costing. How are composite units computed ? (3 marks)

Chapter-10 : Process Costing

2009 - Nov [3] (a) XP Ltd. furnishes you the following information relating to process II.

- (i) Opening work-in-progress—NIL
- (ii) Units introduced 42,000 units @ Rs. 12
- (iii) Expenses debited to the process :

	Rs.
Direct material	61,530
Labour	88,820
Overheads	1,76,400

- (iv) Normal loss in the process = 2% of input.
- (v) Closing work-in-progress — 1200 units

Degree of completion —	Materials	100%
	Labour	50%
	Overhead	40%
- (vi) Finished output — 39500 units
- (vii) Degree of completion of abnormal loss :

	Material	100%
	Labour	80%
	Overhead	60%
- (viii) Units scrapped as normal loss were sold at Rs. 4.50 per unit.
- (ix) All the units of abnormal loss were sold at Rs. 9 per unit.

Prepare :

- (a) Statement of equivalent production.
- (b) Statement showing the cost of finished goods, abnormal loss and closing work-in-progress.
- (c) Process II account and abnormal loss account. (8 marks)

Chapter-12 : Standard Costing

2009 - Nov [3](b) The following information is available from the cost records of Vatika & Co. For the month of August, 2009 :

Material purchased 24,000 kg Rs. 1,05,600

Material consumed 22,800 kg

Actual wages paid for 5,940 hours Rs. 29,700

Unit produced 2160 units.

Standard rates and prices are :

Direct material rate is Rs. 4.00 per unit

Direct labour rate is Rs. 4.00 per hour

Standard input is 10 kg. for one unit.

Standard requirement is 2.5 hours per unit.

Calculate all material and labour variances for the month of August, 2009. (8 marks)

Chapter-13 : Marginal Costing

2009 - Nov [1] Answer the following :

- (v) A company sells two products, J and K. The sales mix is 4 units of J and 3 units of K. The contribution margins per unit are Rs. 40 for J and Rs. 20 for K. Fixed costs are Rs. 6,16,000 per month. Compute the break-even point. (2 marks)

2009 - Nov [2] Mega Company has just completed its first year of operations. The unit costs on a normal costing basis are as under :

	Rs.
Direct material 4 kg @ Rs. 4	= 16.00
Direct labour 3 hrs @ Rs. 18	= 54.00
Variable overhead 3 hrs @ Rs. 4	= 12.00
Fixed overhead 3 hrs @ Rs. 6	= <u>18.00</u>
	<u>100.00</u>

Selling and administrative costs :

Variable	Rs. 20 per unit
Fixed	Rs. 7,60,000

During the year the company has the following activity :

Units produced	= 24,000
Units sold	= 21,500
Unit selling price	= Rs. 168
Direct labour hours worked	= 72,000

Actual fixed overhead was Rs. 48,000 less than the budgeted fixed overhead.

Budgeted variable overhead was Rs. 20,000 less than the actual variable overhead. The company used an expected actual activity level of 72,000 direct labour hours to compute the predetermine overhead rates.

Required :

- (i) Compute the unit cost and total income under :
 - (a) Absorption costing
 - (b) Marginal costing.
- (ii) Under or over absorption of overhead.
- (iii) Reconcile the difference between the total income under absorption and marginal costing. (15 marks)

Chapter-14 : Budgets & Budgetary Control

2009 - Nov [1] Answer the following :

- (ii) Calculate efficiency and activity ratio from the following data :

Capacity ratio	=	75%	
Budgeted output	=	6000 units	
Actual output	=	5000 units	
Standard Time per unit	=	4 hours	(2 marks)

2009 - Nov [4] Answer the following :

- (iv) List the eight functional budgets prepared by a business. (3 marks)

PART - B : Financial Management

Chapter-1 : Scope and Objectives of Financial Management

2009 - Nov [5] Answer the following :

- (iv) Differentiate between Financial Management and Financial Accounting. (2 marks)

2009 - Nov [8] Answer the following :

- (i) Explain the two basic functions of Financial Management. (3 marks)

Chapter-3 : Financial Analysis and Planning

2009 - Nov [5] Answer the following :

- (i) Explain briefly the limitations of Financial ratios. (2 marks)
- (vi) From the informations given below calculate the amount of Fixed assets and Proprietor's fund.

Ratio of fixed assets to proprietors fund	=	0.75
Net working capital	=	Rs. 6,00,000

(2 marks)

2009 - Nov [6] The Balance Sheets of a Company as on 31st March, 2008 and 2009 are given below :

Liabilities	31.3.08	31.3.09	Assets	31.3.08	31.3.09
	Rs.	Rs.		Rs.	Rs.
Equity share capital	14,40,000	19,20,000	Fixed assets	38,40,000	45,60,000
Capital reserve	—	48,000	Less depreciation	11,04,000	13,92,000
General reserve	8,16,000	9,60,000		27,36,000	31,68,000
Profit & Loss A/c	2,88,000	3,60,000	Investment	4,80,000	3,84,000
9% debentures	9,60,000	6,72,000	Sundry debtors	12,00,000	14,00,000
Sundry creditors	5,50,000	5,90,000	Stock	1,40,000	1,84,000
Bills payables	26,000	34,000	Cash in hand	4,000	—

Proposed dividend	1,44,000	1,72,800	Preliminary		
Provision for tax	4,32,000	4,08,000	Expenses	96,000	48,000
Unpaid dividend	—	19,200			
	<u>46,56,000</u>	<u>51,84,000</u>		<u>46,56,000</u>	<u>51,84,000</u>

Additional informations :

During the year ended 31st March, 2009 the company :

- Sold a machine for Rs. 1,20,000; the cost of machine was Rs. 2,40,000 and depreciation provided on it was Rs. 84,000.
- Provided Rs. 4,20,000 as depreciation fixed assets.
- Sold some investment and profit credited to capital reserve.
- Redeemed 30% of the debenture @ 105
- Decided to write off fixed assets costing Rs. 60,000 on which depreciation amounting to Rs. 48,000 has been provided.

You are required to prepare Cash Flow Statement as per AS-3. (15 marks)

Chapter-4 : Cost of Capital & Capital Structure

2009 - Nov [5] Answer the following :

- Y Ltd. retains Rs. 7,50,000 out of its current earning. The expected rate of return to the shareholders. If they had invested the funds elsewhere is 10%. The brokerage is 3% and the shareholders came in 30% tax bracket. Calculate the cost of retained earning. (2 marks)

2009 - Nov [8] Answer the following :

- What do you understand by Weighted average cost of Capital ? (3 marks)
- There are two firms P and Q which are identical except P does not use any debt in its capital structure while Q has Rs. 8,00,000, 9% debentures in its capital structure. Both the firms have earning before interest and tax of Rs. 2,60,000 p.a. and the capitalisation rate is 10%. Assuming the corporate tax of 30%, calculate the value of these firms according to MM Hypothesis. (3 marks)

Chapter-5 : Business Risk, Financial Risk & Leverage

2009 - Nov [5] Answer the following :

- What do you understand by Business Risk and Financial Risk ? (2 marks)

2009 - Nov [7] (a) From the following Financial data of Company A and Company B :

Prepare their Income statements.

	Company A	Company B
	Rs.	Rs.
Variable cost	56,000	60% of sales
Fixed cost	20,000	—
Interest expenses	12,000	9,000

Financial Leverage	5 : 1	—
Operating Leverage	—	4 : 1
Income tax rate	30%	30%
Sales	—	105000

(8 marks)

Chapter-6 : Types of Financing

2009 - Nov [8] (ii) Explain the following terms :

(a) Ploughing back of profits (1.5 marks)

Chapter-8 : Capital Budgeting

2009 - Nov [7](b) A hospital is considering to purchase a diagnostic machine costing Rs. 80,000. The projected life of the machine is 8 years and has an expected salvage value of Rs. 6,000 at the end of 8 years. The annual operating cost of the machine is Rs. 7,500. It is expected to generate revenues of Rs. 40,000 per year for eight years. Presently, the hospital is outsourcing the diagnostic work and is earning commission income is Rs. 12,000 per annum; net of taxes.

Required :

Whether it would be profitable for the hospital to purchase the machine.

Give your recommendation under :

(i) Net Present Value method

(ii) Profitability Index method.

PV factors at 10% are given below :

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
0.909	0.826	0.751	0.683	0.621	0.564	0.513	0.467

(8 marks)

2009 - Nov [8] (ii) Explain the following terms :

(b) Desirability factor. (1.5 marks)

New Chapter : Financing of working Capital

2009 - Nov [5] Answer the following :

(iii) Differentiate between Factoring and Bills discounting. (2 marks)

Paper - 5 : Taxation

Chapter-1 : Definitions

2009 - Nov [5] Answer the following :

(d) Describe average rate of tax and maximum marginal rate under Section 2(10) and 2(29c) of the Income-tax Act, 1961. (4 marks)

Chapter-5 : Income from House Property

2009 - Nov [3] (a) Mrs. Indu, a resident individual, own a house in U.S.A. She receives rent @ \$ 2,000 per month. She paid municipal taxes of \$ 1,500 during

the financial year 2008-09. She also owns a two storied house in Mumbai, ground floor is used for her residence and first floor is let out at a monthly rent of Rs. 10,000. Standard rent for each floor is Rs. 11,000 per month. Municipal taxes paid for the house amounts to Rs. 7,500. Mrs. Indu had constructed the house by taking a loan from a nationalised bank on 20.6.2006. She repaid the loan of Rs. 54,000 including interest of Rs. 24,000. The value of one dollar is to be taken as Rs. 45.

Compute total income from house property of Mrs. Indu. (7 marks)

Chapter-6 : Profits & Gains of Business or Profession

2009 - Nov [1] State with reasons, whether the following statements are true or false having regard to the provisions of the Income-tax Act, 1961, for the assessment year 2009-10 :

- (c) The benefit of weighted deduction of 125% under Section 35(2AB) of the Income-tax Act, 1961 has now been extended to contribution made to a company, for scientific research approved under Section 35(1)(ia) to an assessee. (2 marks)
- (d) Where the payment is made in cash by way of adjustment against the amount of any liability incurred by the payee for any goods supplied or services rendered by the assessee to such payer, in excess of Rs. 20,000 in a day, no disallowance gets attracted under Section 40A(3) of the Income-tax Act, 1961, read with Rule 6DD of the Income-tax Rules, 1962. (2 marks)

2009 - Nov [4] (a) Determine the taxability of income of US based company Heli Ltd., in India on entering following transactions during the financial year 2008-09 :

- (i) Rs. 5 lacs received from an Indian domestic company for providing technical know how in India.
- (ii) Rs. 6 lacs from an Indian firm for conducting the feasibility study for the new project in Finland.
- (iii) Rs. 4 lacs from a non-resident for use of patent for a business in India.
- (iv) Rs. 8 lacs from a non-resident Indian for use of know how for a business in Singapore.
- (v) Rs. 10 lacs for supply of manuals and designs for the business to be established in Singapore.

Explain the rate of tax applicable on taxable income for US based company, Heli Ltd., in India. (7 marks)

2009 - Nov [5] Answer the following :

- (a) Are there any restrictions on deduction allowable to the partnership firm in respect of salary and interest to its partners under Section 40(b) of the Income-tax Act, 1961 ? (4 marks)

Chapter-7 : Capital Gains

2009 - Nov [1] State with reasons, whether the following statements are true or false having regard to the provisions of the Income-tax Act, 1961, for the assessment year 2009-10 :

- (a) As per Section 49(2A) read with Section 47(Xa) of the Income-tax Act, 1961, no capital gains on conversion of foreign currency exchangeable bonds into shares or debentures, for facilitating the issue of FCEBs by Indian companies. (2 marks)

Chapter-12 : Computation of Total Income, Tax Payable, Rebate and Relief

2009 - Nov [2] Dr. Parekh is a resident individual. His Income and Expenditure Account for the year ending 31st March, 2009 is given below :

	Amount Rs.		Amount Rs.
To		By	
Salary to staff	3,78,000	Consultation fees	11,85,000
Cost of medicine	6,35,000	Cost of medicines	
Rent	66,000	recovered	7,85,000
Administrative cost	1,98,000	Stock of medicine	25,000
Advance tax	2,40,000	Interest on PO MIS	86,400
Membership fees	5,000	Interest on TD with bank	
Depreciation on apparatus	42,500	(Net of TDS Rs. 3,000)	27,000
Net profit	5,70,900	Rent received	20,000
		Winning from lotteries	
		(Net of TDS Rs. 3,000)	7,000
	<u>21,35,400</u>		<u>21,35,400</u>

- (i) He has deposited Rs. 70,000 in PPF.
- (ii) He received salary of Rs. 1,50,000 and commission of Rs. 50,000 from a nursing home in which Dr. (Mrs.) Parekh also an equal partner.
- (iii) He received fees of Rs. 50,000 from University of Trinidad as lecturer.
- (iv) Received pension of Rs. 84,000 from LIC Jeevan Suraksha.
- (v) Paid Rs. 22,500 by cheque as mediclaim insurance premium for his medical treatment.
- (vi) He paid LIC premium of Rs. 80,000 for his own life.
- (vii) Cost of administration includes Rs. 3,000 paid for municipal tax for the house let out to a tenant.
- (viii) Depreciation as per Income-tax Rules to be computed as follows :
- | | |
|----------------------|--------------|
| WDV as on 1.4.2008 | Rs. 3,00,000 |
| Rate of depreciation | @ 15% |
- (ix) Cost of lottery tickets amounting to Rs. 350 has not been debited to Income and Expenditure account.

You are required to compute the total income and tax payable thereon by Dr. Parekh for the assessment year 2009-10. (20 marks)

2009 - Nov [4] (b) Mr. Pranav, a resident individual had purchased a plot of land at a cost of Rs. 75,000 in June, 1998. He constructed a house for his residence on that land at a cost of Rs. 1,25,000 in August, 2000. He sold that house in May, 2008 at Rs. 15,00,000 and purchased another residential house in June, 2008 for Rs. 8,00,000. He furnishes other income and investment as follows :

	Rs.
Net of interest on fixed deposit with a Bank	44,850
TDS made by bank	5,150
Investment in NSC VIII issue	20,000
Cost inflation index for financial year 1998-99, 2000-01 and 2008-09 are 351, 406 and 582 respectively.	

You are required to compute taxable income and tax payable by Mr. Pranav for the assessment year 2009-10. (7 marks)

Chapter-13 : Income Tax Authorities

2009 - Nov [1] State with reasons, whether the following statements are true or false having regard to the provisions of the Income-tax Act, 1961, for the assessment year 2009-10 :

(b) Person not deducting tax also deemed to be an assessee in default under Section 191 read with Section 201 of the Income-tax Act, 1961. (2 marks)

(c) An AOP having gross receipts of Rs. 50 lacs during the financial year 2007-08 is not required to deduct tax at source under Section 194C of the Income-tax Act, 1961, on payment made to contractors during the financial year 2008-09. (2 marks)

2009 - Nov [3] (b) Mrs. Indira, a landlord, derived income from rent from letting a house property to M/s Vaibhav Corporation Ltd. of Rs. 1,00,000 per month. She charged the service tax @ 10.3% on lease rent charges. Calculate the deduction of tax at source (TDS) to be made by M/s Vaibhavi Corporation Ltd. on payment made to Mrs. Indira and narrate related formalities in relation to TDS. What are the consequences of failure to deduct or pay TDS ? (8 marks)

2009 - Nov [5] Answer the following :

(c) Explain the difference between tax deduction at source and tax collection at source. (4 marks)

Chapter-14 : Assessment Procedure

2009 - Nov [5] Answer the following :

(b) Interest is chargeable under Section 234A for delay or default in furnishing return of income. Discuss briefly. (4 marks)

Chapter-16 : Value Added Tax (VAT)

2009 - Nov [7] Mr. Goenka, a trader selling raw materials to a manufacturer of finished products. He imports his stock in trade as well as purchases the same from the local markets. Following transaction took place during financial year 2008-09.

Calculate the VAT and invoice value charged by him to a manufacturer. Assume the rate of VAT @ 12.50% :

	Rs.
(1) Cost of imported materials (from other State) excluding tax	1,00,000
(2) Cost of local materials including VAT	2,25,000
(3) Other expenditure includes storage, transport, interest and loading and unloading and profit earned by him	87,500
	(5 marks)

2009 - Nov [8] Answer the following :

- (b) VAT would increase the working capital requirements and the interest burden. Discuss. (3 marks)

Chapter-17 : Service Tax

2009 - Nov [6] Ms. Priyanka, a proprietress of Royal Security Agency received Rs. 1,00,000 by an account payee cheque, as advance while signing a contract from providing taxable service; she receive Rs. 5,00,000 by credit card while providing the service and another Rs. 5,00,000 by a pay order after completion of service on January 31, 2009. All three transactions took place during financial year 2008-09. She seek your advice about her liability towards value of taxable service and the service tax payable by her. (5 marks)

2009 - Nov [8] Answer the following :

- (a) Ms. Amrapali, a registered Service Provider did not render any services during the financial year 2008-09. Whether she is required to file service tax return ?
- (c) Mr. Bharat is a registered Service Provider. He transfers his business to Mr. Rakesh on 31st July, 2008. Explain the requirement to be complied with by Mr. Bharat and Mr. Rakesh on such transfer under the provisions of Service tax.
- (d) Write the provisions on liability for payment of Service tax on services provided abroad.
- (e) Which Act and Rule governs the levy of Service tax in India ?

(4 × 3 = 12 marks)

Paper - 6 : Information Technology and Strategic Management**PART - A : Information Technology****Chapter-1 : Introduction to Computers**

2009 - Nov [1] (a) Describe briefly the following terms :

- (i) LSI Circuit
 - (ii) USB Connectors
 - (iii) Touch Screen
- (3 × 1 = 3 marks)

2009 - Nov [1] (b) Explain each of the following :

- (i) BIOS
 - (iii) Random Access
 - (iv) FAT
- (3 × 1 = 3 marks)

Chapter-2 : Input & Output Devices

2009 - Nov [2] Answer the following :

- (a) Define an Image Processing. Describe the steps involved to document imaging. Also mention any five advantages of Image Processing.
- (5 marks)

Chapter-3 : Software

2009 - Nov [2] Answer the following :

- (b) What are Decision Support Systems ? Describe various characteristics of a DSS.
- (5 marks)

Chapter-5 : Data Storage, Retrieval and DBMS

2009 - Nov [1] (a) Describe briefly the following terms :

- (v) Data Dictionary.
- (1 mark)

2009 - Nov [1] (b) Explain each of the following :

- (ii) Transaction Log
- (1 mark)

2009 - Nov [3] (a) Describe the various factors being considered in determining the best file organisation for an application.

(5 marks)

Chapter-6 : Computer Networks & Network Security

2009 - Nov [1] (a) Describe briefly the following terms :

- (iv) Layer 3 or Network layer
- (1 mark)

2009 - Nov [5] (a) Describe the Ring Network, Discuss its advantages and disadvantages.

(5 marks)

- (b) Describe 'Caching Server' and 'Proxy Server' How are they different from each other ?
- (5 marks)

Chapter-7 : Internet and other Technologies

2009 - Nov [1] (b) Explain each of the following :

- (v) E-mail.
- (1 mark)

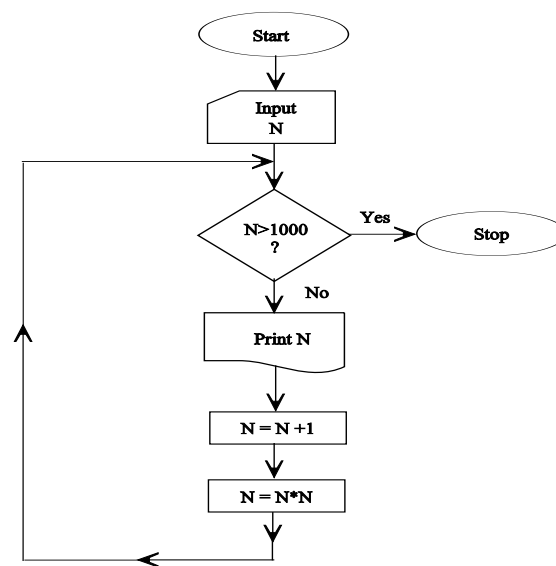
2009 - Nov [3] (b) What is meant by 'Electronic Data Interchange'? State some of its advantages.

(5 marks)

Chapter-8 : Flowcharting

2009 - Nov [4] (a) Write the output sequence (at least first five numbers) for the given flowchart, if $N = 0$ is selected as the value for N as input. (5 marks)

(b) If the statement " $N = N * N$ " in the computation box of the flowchart is modified as " $N = N * (N - 1)$ ". Write the output sequence (at least first five numbers) for the flowchart with $N = 0$ as the input value for N .



(5 marks)

PART - B : Strategic Management

Chapter-1 : Business Environment

2009 - Nov [6] State with reasons which of the following statements is correct or incorrect :

(a) A business, even if it continually remains passive to the relevant changes in the environment, would still grow and flourish. (2 marks)

2009 - Nov [8] What are the five competitive forces in an industry as identified by Michael Porter ? Explain. (10 marks)

Chapter-2 : Business Policy and Strategic Management

2009 - Nov [7] (b) State the points that may be considered while writing a mission statement of a Company. (2 marks)

Chapter-3 : Strategic Analysis

2009 - Nov [7] (a) Discuss the relevance of Tows Matrix in strategic planning process. (2 marks)

Chapter-4 : Strategic Planning

2009 - Nov [10] Read the following case and answer the questions given at the end :

The ripple effects of the 2008 Global Economic meltdown had begun to hurt the Rupees 1,268 crore J.K. Paper Ltd. also. Like all other business houses in India, J.K. Paper Ltd. was also finding the going tough. The general trend of soaring prices and contraction in demand had started affecting the sale of J.K. Paper Ltd. products also. Its customers were focusing on correcting their inventory positions (using existing stocks of materials to keep production lines and marketing activities rolling). Consequently, they were not buying much from J.K. Paper Ltd. Even the investors did not like what they saw—J.K. Paper Ltd. stock fell from Rs. 57.20 on 1 January, 2008 to a low of Rs. 14.12 on 12 March, 2009. The company was in the midst of Economic crisis. Mr. Harshpati Singhania, Managing Director of the Company, realised that some strong measures must be taken to extricate the Company from its present crisis. To this end, Mr. Singhania held several brainstorming sessions with the top management team and finally identified the focus areas :

Managing working capital flows, cutting costs and paying attention to employee productivity.

Moving away from the traditional approach one usually follows during the recessionary periods, Mr. Singhania instead of shutting down company's plants and cutting production, decided to continue to operate the Company's two plants at Gujarat and Orissa at 100% capacity. To match sales with production, he planned to reach out to newer customers by widening Company's distribution network. He identified packaging boards to be marketed in rural areas where the meltdown had minimal effect. As the market conditions were still difficult, the company also decided to cut the prices by 2 to 3 per cent. Alongwith the price cut, its marketing thrust in rural areas ensured that the sales were not impacted much. Net sales remained flat throughout 2008-09, though the profitability of the Company suffered because of the lower margins it received from its rural thrust.

For raising capital, the Company did not approach banks and investors, rather it intensified its efforts to recover its debits from its clients. The efforts resulted in fast recovery of crores of rupees. Disputed debts were also settled expeditiously to raise more cash.

To cut costs further, the Company took steps to improve productivity and reduce its wage bill. Inefficient employees were asked to leave. No new appointments were made unless they were critically important. In addition, employees received lower increments for 2008-09; even Mr. Singhanian did not take any increment.

When the global slowdown sent the international prices of the pulp, the main raw material for the paper industry, crashing from Rs. 36,960 per tonne in April, 2008 to Rs. 18,240 per tonne in September, 2008 the company bought enough pulp to last for about 9 months as against its policy of buying, in the normal course, pulp for about 2-3 months. According to Mr. Singhanian, this decision also resulted in a huge saving.

Mr. Singhanian and his senior management team also re-evaluated the organisational structure to improve efficiency in the organization.

When all the above strategic decisions had been successfully implemented, Mr. Singhanian knew that the worst for the company was over. This was also reflected in gradual increase in the quarterly profits of the company, Mr. Singhanian however sounded very modest about his stewardship of the Company while appreciating his Senior management team for the great job done to ride out the slowdown.

Questions :

- (a) Where did the recession hit J.K. Paper Ltd. ? (2 marks)
- (b) Explain with reasoning the corporate strategy the Company had adopted for its survival. (2 marks)
- (c) What functional strategies were undertaken by the Company to overcome its crisis ? (6 marks)
- (d) State the basic responsibilities of a strategic leader in a business house. Explain whether or not Mr. Singhanian provided strategic leadership to the Company. (2 + 2 = 4 marks)
- (e) What lessons are learnt from the experience of J.K. Paper Ltd. to ride out the economic meltdown ? (6 marks)

Chapter-6 : Strategy Implementation and Control

2009 - Nov [6] State with reasons which of the following statements is correct or incorrect :

- (b) A corporate culture is always identical in all the organizations.
- (c) There is both opportunity and challenge in 'Change'. (2 × 2 = 4 marks)

Chapter-7 : Reaching Strategic Edge

2009 - Nov [9] What is Six Sigma ? How is it different from other quality programs ? Explain in brief themes of Six Sigma. (2 + 2 + 6 = 10 marks)

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