

Free of Cost

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SCANNER™ Appendix

PCC Gr. II

May - 2009

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PAPER'S

Paper - 4A : Cost Accounting

Chapter - 1 : Basic Concepts

2009 - May [1] {C} Answer the following :

- (ii) Distinguish between product cost and period cost. (2 marks)

Chapter - 2 : Material Cost

2009 - May [4] {C} Answer the following :

- (i) Discuss accounting treatment of spoilage and defectives in cost accounting. (3 marks)

Chapter - 3 : Labour

2009 - May [1] {C} Answer the following :

- (i) Two workmen, A and B, produce the same product using the same material. A is paid bonus according to Halsey plan, while B is paid bonus according to Rowan plan. The time allowed to manufacture the product is 100 hours. A has taken 60 hours and B has taken 80 hours to complete the product. The normal hourly rate of wages of workman A is Rs. 24 per hour. The total earnings of both the workers are same. Calculate normal hourly rate of wages of workman B. (2 marks)

2009 - May [4] {C} Answer the following :

- (ii) Discuss accounting treatment of idle capacity costs in cost accounting. (3 marks)

Chapter - 4 : Overheads

2009 - May [1] {C} Answer the following :

- (vi) Following information is available for the first and second quarter of the year 2008-09 of ABC Limited :

	Production (in units)	Semi-variable cost (Rs.)
Quarter I	36,000	2,80,000
Quarter II	42,000	3,10,000

You are required to segregate the semi-variable cost and calculate :

- (a) Variable cost per units; and
(b) Total fixed cost. (2 marks)

Chapter - 6 : Reconciliation of Cost and Financial Accounts

2009 - May [3] {C} (a) A manufacturing company has disclosed a net loss of Rs. 2,13,000 as per their cost accounting records for the year ended March 31, 2009. However, their financial accounting records disclosed a net loss of Rs. 2,58,000 for the same period. A scrutiny of data of both the sets of books of accounts revealed the following information :

	Rs.
(i) Factory overheads underabsorbed	5,000
(ii) Administration overheads overabsorbed	3,000
(iii) Depreciation charged in financial accounts	70,000
(iv) Depreciation charged in cost accounts	80,000
(v) Interest on investments not included in cost accounts	20,000
(vi) Income-tax provided in financial accounts	65,000
(vii) Transfer fees (credit in financial accounts)	2,000
(viii) Preliminary expenses written off	3,000
(ix) Over-valuation of closing stock of finished goods in cost accounts	7,000

Prepare a Memorandum Reconciliation Account. (7 marks)

Chapter - 8 : Contract Costing

2009 - May [4] {C} Answer the following :

- (iii) A contract is estimated to be 80% complete in its first year of construction as certified. The contractee pays 75% of value of work certified, as and when certified and makes the final payment on the completion of contract. Following information is available for the first year :

	Rs.
Cost of work-in progress uncertified	8,000
Profit transferred to Profit & Loss A/c at the end of year I on incomplete contract	60,000
Cost of work to date	88,000

Calculate the value of work-in-progress certified and amount of contract price. (3 marks)

Chapter - 9 : Operating and Multiple Costing

2009 - May [1] {C} Answer the following :

- (iii) A lorry starts with a load of 24 tonnes of goods from station A. It unloads 10 tonnes at station B and rest of goods at station C. It reaches back directly to station A after getting reloaded with 18 tonnes of goods at station C. The distance between A to B, B to C and then from C to A are 270 kms, 150 kms and 325 kms respectively. Compute 'Absolute tonnes kms' and 'Commercial tonnes-kms'. (2 marks)

Chapter - 11 : Joint Products & By Products

2009 - May [3] {C} (b) Describe briefly, how joint costs upto the point of separation may be apportioned amongst the joint products under the following methods :

- (i) Average unit cost method
- (ii) Contribution margin method
- (iii) Market value at the point of separation
- (iv) Market value after further processing
- (v) Net realizable value method (9 marks)

Chapter - 12 : Standard Costing

2009 - May [1] {C} Answer the following :

- (iv) Following details relating to product X during the month of April, 2009 are available :
- Standard cost per unit of X :
- Materials : 50 kg @ Rs. 40/kg
- Actual production : 100 units
- Actual material cost : Rs. 42/Kg
- Material price variance : Rs. 9,800 (Adverse)
- Material usage variance : Rs. 4,000 (Favourable)
- Calculate the actual quantity of material used during the month April, 2009. (2 marks)

Chapter - 13 : Marginal Costing

2009 - May [4] {C} Answer the following :

- (iv) Product Z has a profit-volume ratio of 28%. Fixed operating costs directly attributable to product Z during the quarter II of the financial year 2009- 10 will be Rs. 2,80,000.
- Calculate the sales revenue required to achieve a quarterly profit of Rs. 70,000. (3 marks)

Chapter - 14 : Budgets & Budgetary Control

2009 - May [1] {C} Answer the following :

- (v) Discuss the components of budgetary control system. (2 marks)

2009 - May [2] {C} Following is the sales budget for the first six months of the year 2009 in respect of PQR Ltd :

Months	:	Jan.	Feb.	March	April	May	June
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Sales (units) : 10,000 12,000 14,000 15,000 15,000 16,000
 Finished goods inventory at the end of each month is expected to be 20% of budgeted sales quantity for the following month. Finished goods inventory was 2,700 units on January 1, 2009. There would be no work-in-progress at the end of any month.

Each unit of finished product requires two types of materials as detailed below :

Material X : 4 kgs @ Rs. 10/kg

Material Y : 6 kgs @ Rs. 15/kg

Material on hand on January 1, 2009 was 19,000 kgs of material X and 29,000 kgs of material Y. Monthly closing stock of material is budgeted to be equal to half of the requirements of next month's production.

Budgeted direct labour hour per unit of finished product is 3/4 hour.

Budgeted direct labour cost for the first quarter of the year 2009 is Rs.10,89,000.

Actual data for the quarter one, ended on March 31, 2009 is as under :

Actual production quantity :	40,000 units
Direct material cost	
(Purchase cost based on materials actually issued to production)	
Material X :	1,65,000 kgs @ Rs. 10.20/kg.
Material Y :	2,38,000 kgs @ Rs. 15.10/kg.
Actual direct labour hours worked :	32,000 hours
Actual direct labour cost :	Rs. 13,12,000

Required :

- (a) Prepare the following budgets :
 - (i) Monthly production quantity budget for the quarter one.
 - (ii) Monthly raw material consumption quantity budget from January, 2009 to April, 2009.
 - (iii) Materials purchase quantity budget for the quarter one.
- (b) Compute the following variances :
 - (i) Material cost variance
 - (ii) Material price variance
 - (iii) Material usage variance
 - (iv) Direct labour cost variance
 - (v) Direct labour rate variance
 - (vi) Direct labour efficiency variance. (6 + 9 = 15)

Paper - 4B : Financial Management
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Chapter - 1 : Scope and Objectives of Financial Management

2009 - May [5] {C} Answer the following :

- (iv) Discuss conflict in profit versus wealth maximisation objective.
(2 marks)

Chapter - 3 : Financial Analysis and Planning

2009 - May [5] {C} Answer the following :

- (iii) How is Debt service coverage ratio calculated? What is its significance?
(2 marks)

2009 - May [6] {C} Balance Sheets of RST Limited as on March 31, 2008 and March 31, 2009 are as under :

Liabilities	31.3.2008 Rs.	31.3.2009 Rs.	Assets	31.3.2008 Rs.	31.3.2009 Rs.
Equity Share Capital (Rs. 10 face value per share)	10,00,000	12,00,000	Land & Building	6,00,000	7,00,000
General Reserve	3,50,000	2,00,000	Plant & Machinery	9,00,000	11,00,000
9% Preference Share Capital	3,00,000	5,00,000	Investments (Long-term)	2,50,000	2,50,000
Share Premium A/c	25,000	4,000	Stock	3,60,000	3,50,000
Profit & Loss A/c	2,00,000	3,00,000	Debtors	3,00,000	3,90,000
8% Debentures	3,00,000	1,00,000	Cash & Bank	1,00,000	95,000
Creditors	2,05,000	3,00,000	Prepaid Expenses	15,000	20,000
Bills Payable	45,000	81,000	Advance Tax Payment	80,000	1,05,000
Provision for Tax	70,000	1,00,000	Preliminary Expenses	40,000	35,000
Proposed Dividend	1,50,000	2,60,000			
	<u>26,45,000</u>	<u>30,45,000</u>		<u>26,45,000</u>	<u>30,45,000</u>

Additional information :

- Depreciation charged on building and plant and machinery during the year 2008-09 were Rs. 50,000 and Rs. 1,20,000 respectively.
- During the year an old machine costing Rs. 1,50,000 was sold for Rs. 32,000. Its written down value was Rs. 40,000 on date of sale.
- During the year, income tax for the year 2007-08 was assessed at Rs. 76,000. A cheque of Rs. 4,000 was received alongwith the assessment order towards refund of income tax paid in excess, by way of advance tax in earlier years.
- Proposed dividend for 2007-08 was paid during the year 2008-09.
- 9% Preference shares of Rs. 3,00,000, which were due for redemption, were redeemed during the year 2008-09 at a premium of 5%, out of the proceeds of fresh issue of 9% Preference shares.
- Bonus shares were issued to the existing equity shareholders at the rate of one share for every five shares held on 31.3.2008 out of general reserves.
- Debentures were redeemed at the beginning of the year at a premium of 3%.
- Interim dividend paid during the year 2008-09 was Rs. 50,000.

Required :

- Schedule of Changes in Working Capital; and

- (b) Fund Flow Statement for the year ended March 31, 2009.
(5 + 10 = 15 marks)

2009 - May [8] {C} Answer the following :

- (iv) Discuss the composition of Return on Equity (ROE) using the DuPont model. (3 marks)

Chapter - 4 : Cost of Capital & Capital Structure

2009 - May [5] {C} Answer the following :

- (v) Discuss the concept of Debt-Equity or EBIT-EPS indifference point, while determining the capital structure of a company. (2 marks)

2009 - May [7] {C} (a) The capital structure of MNP Ltd. is as under :

9% Debentures	Rs. 2,75,000
11% Preference shares	Rs. 2,25,000
Equity shares (face value : Rs. 10 per share)	<u>Rs. 5,00,000</u>
	Rs.10,00,000

Additional information :

- (i) Rs. 100 per debenture redeemable at par has 2% floatation cost and 10 years of maturity. The market price per debenture is Rs. 105.
(ii) Rs. 100 per preference share redeemable at par has 3% floatation cost and 10 years of maturity. The market price per preference share is Rs. 106.
(iii) Equity share has Rs. 4 floatation cost and market price per share of Rs. 24. The next year expected dividend is Rs. 2 per share with annual growth of 5%. The firm has a practice of paying all earnings in the form of dividends.
(vi) Corporate Income- tax rate is 35 %.

Required :

Calculate Weighted Average Cost of Capital (WACC) using market value weights. (9 marks)

Chapter - 6 : Types of Financing

2009 - May [5] {C} Answer the following :

- (vi) Discuss the benefits to the originator of Debt Securitisation (2 marks)

Chapter - 7 : International Financing

2009 - May [5] {C} Answer the following :

- (ii) Discuss the concept of American Depositary Receipts. (2 marks)

Chapter - 8 : Capital Budgeting

2009 - May [7] {C} (b) A company is required to choose between two machines A and B. The two machines are designed differently, but have identical capacity and do exactly the same job. Machine A costs Rs. 6,00,000 and will last for 3 years. It costs Rs. 1,20,000 per year to run.

Machine B is an 'economy' model costing Rs. 4,00,000 but will last only for two years, and cost Rs. 1,80,000 per year to run. These are real cash flows. The costs are forecasted in Rupees of constant purchasing power. Opportunity cost of capital is 10%. Which machine company should buy ? Ignore tax .

$PVIF_{0.10,1} = 0.9091$, $PVIF_{0.10,2} = 0.8264$, $PVIF_{0.10,3} = 0.7513$. (7 marks)

2009 - May [8] {C} Answer the following :

- (iii) Explain the concept of discounted payback period. (3 marks)

Chapter - 10 : Treasury & Cash Management

2009 - May [5] {C} Answer the following :

- (i) Write a short note on functions of Treasury department. (3 marks)

2009 - May [8] {C} Answer the following :

- (i) A firm maintains a separate account for cash disbursement. Total disbursements are Rs. 2,62,500 per month. Administrative and transaction cost of transferring cash to disbursement account is Rs. 25 per transfer. Marketable securities yield is 7.5% per annum. Determine the optimum cash balance according to William J Baumol model. (3 marks)

Chapter - 12 : Management of Receivables

2009 - May [8] {C} Answer the following :

- (ii) A firm has a total sales of Rs. 12,00,000 and its average collection period is 90 days. The past experience indicates that bad debt losses are 1.5% on sales. The expenditure incurred by the firm in administering receivable collection efforts are Rs. 50,000. A factor is prepared to buy the firm's receivables by charging 2% commission. The factor will pay advance on receivables to the firm at an interest rate of 16% p.a. after withholding 10% as reserve. Calculate effective cost of factoring to the firm. Assume 360 days in a year. (3 marks)

Paper - 5 : Taxation

Chapter - 1 : Definitions

2009 - May [5] Answer the following five sub-divisions with regard to the provisions of the Income-tax Act, 1961 :

- (a) Explain "Previous year" for undisclosed sources of Income. (4 marks)
 (b) Define the meaning of "Infrastructure Capital Fund" as per section 2(26B) of the Income-tax. Act, 1961. (4 marks)

Chapter - 2 : Basic Concepts

2009 - May [1] Answer the following six sub-divisions, with reference to the provisions of the Income-tax Act, 1961 for the assessment year 2009-2010 :

- (e) Mr. X, Karta of HUF claims that the HUF is non-resident as the business of HUF is transacted from UK and all the policy decisions are taken there.. (2 marks)

Chapter - 3 : Income which do not form Part of Total Income

2009 - May [1] Answer the following six sub-divisions, with reference to the provisions of the Income-tax Act, 1961 for the assessment year 2009-2010 :

- (a) Whether the income derived from saplings or seedlings grown in a nursery is taxable under the Income-tax Act, 1961 ?. (2 marks)
- (c) When does a charitable trust require filing audit report along with return of income ?. (2 marks)
- (f) Mr. P, a shareholder of a closely held company, holding 16% shares, received advances from that company which is to be deemed as dividend from an Indian Company, hence exempted under section 10(34) of the Income-tax Act, 1961. (2 marks)

2009 - May [5] Answer the following five sub-divisions with regard to the provisions of the Income-tax Act, 1961 :

- (c) Explain the meaning of expression “advancement of any other object of general public utility” in the context of “Charitable Purpose” defined under section 2(15) of the Act. (4 marks)

Chapter - 7 : Capital Gains

2009 - May [3] (b) Mr. Kumar is the owner of a residential house which was purchased in September, 1992 for Rs. 50,00,000. He sold the said house on 5th August, 2008 for Rs. 24,00,000. Valuation as per stamp valuation authority of the said plot of land was Rs. 35,00,000. He invested Rs. 8,00,000 in NHAI Bonds on 12th January, 2009. He purchased a residential house on 8th September, 2008 for Rs. 12,00,000. He gives other particulars as follows :

Interest on Bank Deposit	Rs. 32,000
Investment in public provident fund	Rs. 12,000

You are requested to calculate the taxable income for the assessment year 2009-2010 and the tax liability, if any.

Cost inflation index for F.Y. 1992-93 and 2008-09 are 223 and 582 respectively. (8 marks)

2009 - May [4] (a) (ii) Mr. Abhik's father, who is a senior citizen had pledged his residential house to a bank under a notified reverse mortgage scheme. He was getting loan from bank in monthly instalments. Mr. Abhik's father did not repay the loan on maturity and given possession of the house to the bank to discharge his loan. How will the treatment of long-term capital gain be made on such reverse mortgage transaction ? (3 marks)

Chapter-10 : Aggregation of income, Set-off and Carry Forward of Losses

2009 - May [4] (b) Ms. Geeta is a resident individual, provides the following details of her income/losses for the year ended 31.3.2009 :

- (i) Salary received as a partner from a partnership firm Rs. 7,50,000.

- (ii) Loss on sale of shares listed in BSE Rs. 3,00,000. Shares were held for 15 months and STT paid on sale.
- (iii) Long-term capital gain on sale of land Rs. 5,00,000.
- (iv) Rs.51,000 received in cash from friends in party.
- (v) Rs.55,000 received towards dividend on listed equity shares of domestic companies.
- (vi) Brought forward business loss of assessment year 2007-08 Rs.12,50,000. The return for assessment year 2008-09 was filed in time.

Compute gross total income of Ms. Geeta for the assessment year 2009-10 and ascertain the amount of loss that can be carried forward. (8 marks)

Chapter - 11 : Deductions from Gross Total Income

2009 - May [4] (a)

- (i) Mr. Abhik, an individual made payment of health insurance premium to GIC in an approved scheme. Premium paid on his health Rs. 10,000 and his spouse Rs. 15,000 during the year 2008-09. He also paid health insurance premium of Rs. 25,000 on his father's health who is a senior citizen and not dependent on him. The payments have not been made by cash. Compute the amount of deduction under chapter VI-A of the Act, available to Mr. Abhik from his total income for the assessment year 2009-10. (3 marks)

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

2009 - May [2] Mr. X is a resident individual. His Profit and Loss account for the year ending 31st March, 2009 is given below :

To	Amount	By	Amount
	Rs.		Rs.
General charges	35,650	Gross Profit	5,25,860
Insurance	3,500	Commission	6,800
Safety salary	1,12,560	Rent received	37,500
Donation to political party	1,000	Interest on debentures	
Fringe benefit tax	2,400	(Net amount Rs. 22,450	
Depreciation	1,25,656	plus TDS Rs. 2,550)	25,000
Administrative expenses	42,500	Agricultural income	45,000
Advance Tax	17,000	Short-term Profit on sale	
Net Profit	3,44,894	on investment	29,000
		Dividend from	
		Indian Company	16,000
	<u>6,85,160</u>		<u>6,85,160</u>

- (i) Depreciation has been calculated as per the Income Tax Rules at Rs. 75,000.
- (ii) He has deposited Rs.35,000 in a notified scheme under Post Office Time Deposit Rules, 1981 for five year time.

- (iii) He had bought 200 shares of AB Co. Ltd. on 5.12.2007 @ Rs. 75 each. 150 shares of PQ Co. Ltd. on 3.8.2008 @ Rs. 112 each and 150 shares of AB Co. Ltd. on 05.09.2008 @ Rs. 60 each. He sold all the shares of AB Co. Ltd. on 15.12.2008 @ Rs. 98 each and sold the shares of PQ Co. Ltd. on 10.3.2009 @ Rs. 102 each. All shares were sold in National Stock Exchange through a registered broker.
- (iv) One of his life insurance policy was matured on 14.6.2008. The sum assured was Rs. 1,00,000 and amount received on maturity was Rs. 1,62,850.
- (v) Donation to the political party represented the contribution made to a political party registered under section 29A of the Representation of the People Act, 1951.
- (vi) Income tax department refunds Rs. 42,580 (including interest of Rs. 1,470) which was directly credited in his personal savings account.
- (vii) He incurred expenditure of Rs.40,000 on treatment of his dependent father who was suffering from specified disease as defined in rule 11DD of Income Tax Rules, 1962. The payment of medical expenses was made by cheque and an amount of Rs. 7,500 was reimbursed to him by an insurance company.
- (viii) Bad debt of a business which was discontinued in earlier years, recovered during the year Rs. 15,000.

Compute total Income and Tax payable there on by Mr. X for the assessment year 2009-2010. (20 marks)

2009 - May [3] (a) Mr. Ashok kumar, an employee of a PSU furnishes the following particulars for the previous year ending 31.3.2009 :

	Rs.
(i) Salary Income for the year	5,25,000
(ii) Salary for Financial Year 2006-07 received during the year.	40,000
(iii) Assessed Income for the Financial Year 2006-07	1,40,000

You are requested by the assessee to compute relief under section 89 of the Income-tax Act, 1961, in terms of tax payable for assessment year 2009-10.

The rates of Income-tax for the assessment year 2007-08 are :

	Tax Rate (%)
On first Rs. 1,00,000	Nil
On Rs. 1,00,000 – Rs. 1,50,000	10
On Rs. 1,50,000 – Rs. 2,50,000	20
Above Rs. 2,50,000	30
Education cess	2

(7 marks)

Chapter - 14 : Assessment Procedure

2009 - May [1] Answer the following six sub-divisions, with reference to the provisions of the Income-tax Act, 1961 for the assessment year 2009-2010 : State with reason, whether the following statements are True or False :

- (d) A notice under section 143(2) of the Act for scrutiny/regular assessment shall not be issued on an assessee after the expiry of six months from the end of the financial year in which the return is furnished. (2 marks)

2009 - May [5] Answer the following five sub-divisions with regard to the provisions of the Income-tax Act, 1961 :

- (d) What is the meaning of 'Incorrect claim' apparent from any information in the return of Income which needs prima face adjustment under section 143(1) of the Act ? (4 marks)

Chapter - 16 : Value added Tax (VAT)

2009 - May [6] Answer the following :

- (e) Discuss the word " Transparency" in the context of VAT system. (2 marks)

2009 - May [7] (a) Compute the VAT amount payable by Mr. A who purchases goods from a manufacturer on payment of Rs. 2,25,000(including VAT) and earn 10% profit on sale to retailers ? VAT rate on purchase and sale is 12.5%. (3 marks)

2009 - May [8] Answer the following :

- (c) How can an auditor play role to ensure that the tax payers discharge their tax liability properly under the VAT system ? (3 marks)
(d) Discuss the ' Subtraction method' for computation of VAT. (3 marks)

Chapter - 17 : Service Tax

2009 - May [6] Answer the following :

- (a) Mr. X, a service provider who pays service tax regularly, was of the opinion that a particular service was not liable for service tax. He, therefore, did not charge service tax in his bill. He received the bill amount without service tax. How will service tax liability of Mr. X be determined in such case ?
(b) Whether service tax return can be furnished after the due date ?
(c) How can the excess payment of service tax be adjusted ?
(d) Discuss the accountability of an " input service distributor" who may not be liable to pay service tax.
(f) When does a small service provider require to register under the Service Tax Act, but not liable to collect and pay Service Tax ?

(5 × 2 = 10 marks)

2009 - May [7] (b) An unregistered "Service provider" provides following details in respect of taxable services provided during the Financial Year 2008-2009 :

Date	Particulars	Amount
30.6.2008	Advance received from a customer	1,00,000
30.9.2008	Part payment received against a bill of Rs. 9,50,000 raised on a customer	5,00,000
31.1.2008	Money received against taxable services	

	provided during December, 08	3,00,000
31.12.2009	Taxable services rendered during January, 09	1,00,000
31.3.2009	Taxable services provided during March, 09	2,00,000

The service tax provider complies with the provisions of registration and collection of service tax as per service tax laws. He gets registered during the year. He received the money against the bills raised during the months January and March, 2009. Compute the service tax liability of service provider for the year 2008-09 considering the rate of service tax @ 12.36%. (3 marks)

2009 - May [8] Answer the following :

- How the value of taxable services determined when the consideration against taxable services is received in other than monetary terms ? (3 marks)
- What are the sources of Service Tax Law ?. (3 marks)

New Chapter :

2009 - May [1] Answer the following six sub-divisions, with reference to the provisions of the Income-tax Act, 1961 for the assessment year 2009-2010 :

- When will tax not required to be deducted at source on interest payable to a resident on any bond or security issued by a company though the aggregate amount of interest exceeds Rs. 2,500, the basic exemption limit under section 193 of the Act ? (2 marks)

2009 - May [5] Answer the following five sub-divisions with regard to the provisions of the Income-tax Act, 1961 :

- Enlist the installments of advance tax and due dates thereon in case of companies. (4 marks)

Paper - 6 : Information Technology

Chapter - 1 : Introduction of Computer

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

- Folder
- Clock speed. (1 marks each)

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

- MMX (1 mark)

Chapter - 3 : Software

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

- Index field (1 mark)

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

- Operating system. (1 mark)

2009 - May [2] Answer the following questions :

- Define an Expert system. Describe the components of an Expert system. (7 marks)

Chapter - 5 : Data Storage, Retrieval and DBMS

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

(iii) DDL compiler (1 mark)

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

- (i) Real time data warehouse
- (iii) Online backup
- (iv) Index field (1 marks each)

2009 - May [3] (b) What are the various views taken into account, while designing the architecture of a Database. Which view is user dependent and which one is user independent? Which view is storage device oriented?

(3 + 2 + 1 = 6 marks)

2009 - May [3] (or) (c) Why documentation is required ? List any 4 types of documentations required to be prepared prior to delivery of customized software to a customer.

(2 + 4 = 6 marks)

Chapter - 6 : Computer Networks & Networks Security

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

- (i) VPDN (1 mark)

2009 - May [2] (or) (b) Describe the ways a computer network can help business. (7 marks)

2009 - May [2] (c) What are the challenges faced by the management of a data centre? (3 marks)

2009 - May [3] (a) Describe in brief the various components of Client Server Architecture. (4 marks)

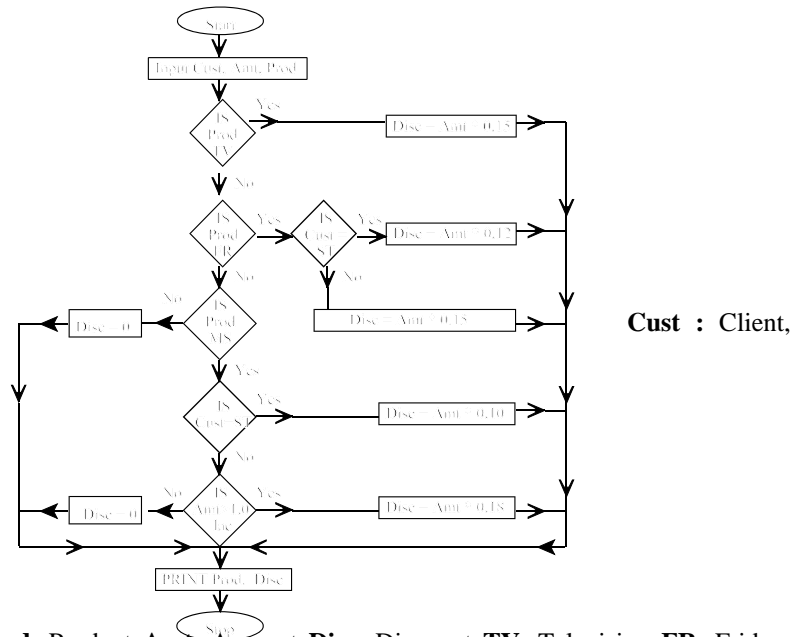
2009 - May [5] (b) Explain the OSI Model of communication. (5 marks)

Chapter - 7 : Internet and other Technologies

2009 - May [5] (a) What do you understand by the term EFT ? Describe in brief, the different EFT systems in operations. (5 marks)

Chapter - 8 : Flowcharting

2009 - May [4] Frame the problem for which the given Flowchart has been drawn. See the Abbreviations defined below :



Prod : Product, Amt : Amount, Disc : Discount, TV : Television, FR : Fridge, MS : Music System, ST : Student (10 marks)

Paper - 6B : Strategic Management

Chapter - 1 : Business Environment

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

- (e) The rate and magnitude of changes that can affect organisations are decreasing dramatically. (2 marks)

2009 - May [7] Answer briefly of the following :

- (a) Can a change in the elected government affect the business environment? Explain. (2 marks)

Chapter - 2 : Business Policy and Strategic Management

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

- (a) Strategic management is a bundle of tricks and magic. (2 marks)

Chapter - 3 : Strategic Analysis

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

- (b) The purpose of SWOT analysis is to rank organisations. (2 marks)
 (d) PLC is an S shaped curve. (2 marks)

Chapter - 4 : Strategic Planning

2009 - May [7] Answer briefly the following :

(c) Differentiate clearly between forward and backward integration.

(2 marks)

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

Meters Limited is a company engaged in the designing, manufacturing, and marketing of instruments like speed meters, oil pressure gauges, and so on, that are fitted into two and four wheelers. Their current investment in assets is around Rs. 5 crores and their last year turnover was Rs. 15 crores, just adequate enough to breakeven. The company has been witnessing over the last couple of years, a fall in their market share prices since many customers are switching over to a new range of electronic instruments from the range of mechanical instruments that have been the mainstay of Meters Limited.

The company has received a firm offer of cooperation from a competitor who is similarly placed in respect of product range. The offer implies the following:

- (i) transfer of the manufacturing line from the competitor to Meters Limited;
- (ii) manufacture of mechanical instruments by Meters Limited for the competitor to the latter's specifications and brand name; and
- (iii) marketing by the competitor.

The benefits that will accrue to Meters Limited will be better utilization of its installed capacity and appropriate financial compensation for the manufacturing effort.

The production manager of Meters Limited has welcomed the proposal and points out that it will enable the company to make profits. The sales manager is doubtful about the same since the demand for mechanical instruments is shrinking. The Chief Executive is studying the offer.

(a) What is divestment strategy ? Do you see it being practised in the given case ? Explain. (5 marks)

(b) What is stability strategy ? Should Meters Limited adopt it ? (5 marks)

(c) What is expansion strategy ? What are the implications for Meters Limited in case it is adopted ? (5 marks)

(d) What is your suggestion to the Chief Executive ? (5 marks)

Chapter - 5 : Formulation of Functional Strategy

2009 - May [7] Answer briefly the following :

(b) Enlist the components of marketing mix. (5 marks)

2009 - May [8] Describe the construction of BCG matrix and discuss its utility in strategic management. (5 + 5 = 10 marks)

Chapter - 6 : Strategy Implementation and Control

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

(c) SBU concepts facilitate multi-business operations. (2 marks)

Chapter - 7 : Reaching Strategic Edge

2009 - May [9] Define Business Process Re-engineering. Briefly outline the steps therein. (4 + 6 = 10 marks)

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