

C 24564

(Pages : 7 + 4 = 11)

Name.....

Reg. No.....

**SECOND SEMESTER M.Com. DEGREE (CBCSS—SDE/PRIVATE)
EXAMINATION, APRIL 2022**

M.Com.

MCM 2C 06—ADVANCED CORPORATE ACCOUNTING

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

Part A

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

1. What is a holding company ?
2. What is business combination ?
3. Who are preferential creditors ?
4. What is tax base ?
5. A Ltd. acquires a group for Rs. 47,000,00. It is going to sell one division ; no selling cost will be incurred. Its fair value less cost to sell is 6,50,000. For the remaining business, assets are worth Rs. 46,00,000 and liabilities are worth Rs. 10,70,000 and contingent liabilities are worth Rs. 1,75,000. Calculate the amount of goodwill ?
6. What is finance lease ?
7. What is social responsibility accounting ?

(4 × 2 = 8 weightage)

Part B

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

8. Explain different methods used for calculating purchase consideration ?
9. What are the objectives of internal reconstruction ?
10. Explain the benefits of forensic accounting.
11. Differentiate between cum interest and ex-interest.

Turn over

12. Following is the balance sheet of ABC Ltd. As on 31 -3-2019 :

<i>Liabilities</i>	Rs.	<i>Assets</i>	Rs.
Equity shares of Rs.100 each ..	1,00,00,000	Fixed assets	1,25,00,000
12 % preference shares of Rs.100 each	50,00,000	Investments (Market value Rs. 9,50,000)	10,00,000
10 % debentures of Rs. 100 each ..	40,00,000	Current assets	1,00,00,000
Sundry creditors	50,00,000	Profit and Loss Account	4,00,000
Provision for taxation	1,00,000	Preliminary expenses	2,00,000
	<u>2,41,00,000</u>		<u>2,41,00,000</u>

The following scheme of reorganization is sanctioned :

- (a) All the existing equity shares are reduced to Rs. 40 each.
- (b) All preference shares are reduced to Rs. 60 each.
- (c) The rate of interest on debenture is increased to 12 %. The debenture holders surrender their existing debentures of Rs. 100 each and exchange the same for fresh debentures of Rs.70 each for every debenture held by them.
- (d) One of the creditors of the company to whom the company owes Rs. 20,00,000 decides to forgo 40% of his claims. He is allotted 30,000 equity shares of Rs. 40 each in full satisfaction of his claim.
- (e) Fixed assets are to be written down by 30 %.
- (f) Current assets are to be re-valued at Rs. 45,00,000.
- (g) The taxation liability of the company is settled at Rs. 1,50,000.
- (h) Investments to be brought to their market value.
- (i) It is decided to write off the fictitious assets.

Pass journal entries.

13. From the following information, calculate cost of sales and closing stock under Historical and CCA system

Opening stock of raw material on 1-1-2019 (200 tons@40/ton - Rs. 8,000.

Purchased during the year 2019 - Nil

Material consumed during the year 2019 - 160 tonnes.

Price of raw material on 1-1-2019 - Rs. 50 / tonne.

Average price during the year 2019 - Rs. 60 / tonne

Price of raw material on 31-12-2019 - Rs. 70 / tonne

14. Lease period 5 years. Annual lease rent of a property is Rs. 80,000 at the end of each year. Guaranteed residual value is Rs. 28,000. Fair value at the beginning of lease is Rs. 3,00,000. Interest rate implicit on lease is 12.6 %. the present value factors at 12.6 % are 0.89, 0.79, 0.7, 0.622, 0.552 at the end of first,second,third,fourth and fifth year respectively. Show the journal entry to record the asset taken on finance lease in the books of the lessee.

(4 × 3 = 12 weightage)

Part C

*Answer any two questions.
Each question carries 5 weightage.*

15. The balance sheet of A Ltd. and B Ltd. As at 31st March 2019 were as under

	A Ltd.	B Ltd.
I Equity and Liabilities		
(1) Shareholders fund		
(a) Share capital (shares of Rs. 10 each)	9,00,000	3,00,000
(b) Reserves and Surplus		
General Reserves	5,00,000	30,000
Profit and Loss Account	6,00,000	2,00,000
(2) Current liabilities		
Sundry Creditors	<u>1,00,000</u>	<u>1,70,000</u>
Total equity and liabilities	21,00,000	7,00,000

Turn over

II Assets

(1) Non-current assets

(a) Fixed assets	9,00,000	4,00,000
(b) Investments	6,00,000	

(2) Current assets

(a) Debtors	1,60,000	90,000
(b) Inventory	2,10,000	1,20,000
(c) Cash and bank	<u>2,30,000</u>	<u>90,000</u>

Total assets	21,00,000	7,00,000
--------------	-----------	----------

A Ltd acquired 75 % of B Ltd's shares at Rs. 6,00,000 on 1st July 2018. B Ltd., had an opening balance of Rs. 1,00,000 in profit and loss account from which it paid dividend for 2018-19 at 20 % on 30th September 2018. The dividend received by the A Ltd is included in the profit and loss account.

Inventory of A Ltd. includes Rs. 20,000 out of purchases of Rs. 50,000 made from B Ltd. in January 2019. Credit period is 90 days. B Ltd. had sold these items at a margin of 25 % on cost. There has been no change in the general reserve account of B Ltd. during 2018-19. Prepare consolidated balance sheet as at 31st march 2019.

16. On 31st march, 2019, Thin Ltd. was absorbed by Thick Ltd., the later taking over all the assets and liabilities of the former at book values. The consideration for the business was fixed at Rs. 4,00,000 to be discharged by the transferee company in the form of its fully paid equity shares of Rs. 10 each, to be distributed among the shareholders of transferor company, each shareholder getting two shares for every share held in the transferor company. Balance sheets taken from the books of the two companies as on 31st march 2019 stood as under.

	<i>Thick Ltd.</i>	<i>Thin Ltd.</i>
--	-------------------	------------------

I Equity and liabilities :

1 Shareholders fund :

(a) Share capital; authorized	(15,00,000)	(5,00,000)
-------------------------------	-------------	------------

Issued and subscribed : equity

Shares of Rs. 10 each	9,00,000	2,00,000
-----------------------	----------	----------

(b) Reserves and surplus		
General reserves	1,80,000	50,000
Surplus account	20,502	12,900
Workmen's compensation fund	12,000	9,000
Staff provident fund	10,200	4,000
2 Non-current liabilities		
Sundry creditors	58,567	30,456
Provision for taxation	12,300	5,000
Total equity and Liabilities	11,93,569	3,11,356
II Assets		
1 Non-current assets		
(a) Fixed assets :		
Plant and machinery	4,12,000	1,00,000
Furniture	80,000	30,000
(b) Goodwill	2,00,000	60,000
2 Current assets :		
Stock in trade	2,65,500	60,000
Sundry debtors	2,21,200	46,000
Cash in hand	869	356
Cash at bank	14,000	8,300
Prepaid insurance		700
Income tax refund claim		6,000
Total assets	11,93,569	3,11,356

Amalgamation expenses amounting to Rs. 1,000 were paid by Thick Ltd. Prepare the balance sheet of Thick Ltd. after the amalgamation in the nature of merger.

Turn over

17. Following is the balance sheet of X Ltd. as on 31st march 2019 :

I Equity and Liabilities :

1 Shareholders fund :

(a) Share capital :

8,000 equity shares of Rs. 100 each, Rs. 60 per share paid up 4,80,000

14 % 4,000 preference shares of Rs. 100 each fully paid up 4,00,000

(b) Reserves and Surplus:

Surplus A/C (Negative balance) – 2,40,000

2 Non-current liabilities

Secured loans

(a) 14 % debentures(having floating charges on all assets) 2,30,000

(b) Interest accrued on debentures 32,200

(c) Loan on mortgage of land and building 1,50,000

3 Current liabilities

Sundry creditors 1, 17,800

Total equity and Liabilities 11, 70,000

II. Assets

1 Non- current assets

(a) Fixed assets :

Land 40,000

Building 1,60,000

Plant and machinery 5,40,000

Intangible assets : Patents 40,000

2 Current Assets :

Stock at cost 1,00,000

Debtors 2,30,000

Cash at bank 60,000

Total Assets 11,70,000

On 31-3-2019, the company went into liquidation. The dividend on 14% preference shares was in arrears for one year. Sundry creditors include preferential creditors amounting to Rs. 30,000.

The assets realized the following sums :

Land Rs. 80,000, Building Rs. 2,00,000, Plant and Machinery Rs. 5,00,000, Plant Rs. 50,000, stock Rs. 1,60,000, Sundry debtors Rs. 2,00,000.

The expenses of liquidation amounted to Rs.29,434. The liquidator is entitled to a commission of 2% on all assets realized (except cash at bank) and 2% on amount distributed among unsecured creditors other than preferential creditors. All payments were made on 30th June 2019. Interest on mortgage loan shall be ignored at the time of payment.

Prepare Liquidator's final statement.

18. Define Human Resource Accounting. What are its objections? Explain various approaches of HRA ?

(2 × 5 = 10 weightage)

C 24564

(Pages : 4)

Name.....

Reg. No.....

**SECOND SEMESTER M.Com. DEGREE (CBCSS—SDE/PRIVATE)
EXAMINATION, APRIL 2022**

M.Com.

MCM 2C 06—ADVANCED CORPORATE 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 2C 06—ADVANCED CORPORATE ACCOUNTING

(Multiple Choice Questions for SDE Candidates)

1. _____ are the financial statements of a group of companies.
(A) Subsidiary Accounts. (B) Group Accounts.
(C) Holding Accounts. (D) None of the above.
2. _____ is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized.
(A) Goodwill. (B) Capital Reserve.
(C) Plant and Machinery. (D) Drawings.
3. A merger is defined as the joining of two or more companies to form a single legal entity.
(A) Acquisition. (B) Restructuring.
(C) Merger. (D) Internal Construction.
4. In external reconstruction, the liquidated company is called :
(A) Purchasing Company. (B) Vendor Company.
(C) Holding Company. (D) Group Company.
5. The objective of _____ is to prescribe, for lessees and lessors, the appropriate accounting policies and disclosures to apply in relation to finance and operating leases.
(A) IAS 11. (B) IAS 17.
(C) IAS 7. (D) IAS 19.
6. _____ is the assistance of finance professionals to settle disputes concerning allegations, fraudulence, suspicion of fraud and misconduct in business.
(A) Forensic accounting. (B) Human Resource Accounting.
(C) Financial Accounting. (D) Cost Accounting.
7. _____ manages business finances effectively, make the right decisions and maximize your profits.
(A) Corporate Accounting. (B) Inflation Accounting.
(C) Environmental Accounting. (D) Proactive Accounting.

8. Price for changes accounting can be done by the following method ———.
- (A) Current purchasing power, Current Value Accounting.
 - (B) Replacement Cost Accounting, Current Cost Accounting.
 - (C) Both (a) and (b).
 - (D) None of the Above.
9. A branch of accounting which decodes the human nature to hide failures, conceal problems, defend wrong decisions, and cover up mistakes is known as ———.
- (A) Inflation Accounting.
 - (B) Human Resource Accounting.
 - (C) Environment Accounting.
 - (D) Forensic Accounting.
10. The main elements of environmental accounting are :
- (A) Environmental Conservation costs and activities and environmental benefits.
 - (B) Environmental activities and environmental benefits.
 - (C) Environmental conversion costs and environmental benefits.
 - (D) None of the above.
11. The recognition of the close link between an organisation's decisions and activities and its impact on the natural environment is called ———.
- (A) Global Environment.
 - (B) Greening of management.
 - (C) Social actions.
 - (D) None of the above.
12. ——— establishes the principles that an entity applies when reporting information about the nature, amount, timing and uncertainty of revenue and cash flows from a contract with a customer.
- (A) IFRS 18.
 - (B) IFRS 14.
 - (C) IFRS 15.
 - (D) IFRS 17.
13. ——— is about the measurement of the items in the consolidated financial statements, such as goodwill, non-controlling interest, etc.
- (A) IFRS 4.
 - (B) IFRS 10.
 - (C) IFRS 9.
 - (D) IFRS 3.
14. A merger of two or more companies that compete in the same industry.
- (A) Horizontal.
 - (B) Conglomerate.
 - (C) Vertical.
 - (D) None of the above.

Turn over

15. A form of corporate restructuring in which the entity's business operations are segregated into one or more components is known as :
- (A) Horizontal. (B) Disinvestment.
(C) Demerger. (D) Takeover.
16. _____ accounting is the process by which companies and organizations record the financial impact of agreements to rent or finance the rights to use specific assets.
- (A) Corporate. (B) Responsibility.
(C) Green. (D) Lease.
17. _____ is the estimated remaining period, from the commencement of the lease term, without limitation by the lease term, over which the economic benefits embodied in the asset are expected to be consumed by the entity.
- (A) Economic Life. (B) Useful Life.
(C) Fair value. (D) None of the above.
18. _____ highlights both the contribution of business enterprises to economic wellbeing and the costs imposed in the form of pollution or resource degradation.
- (A) Social Accounting. (B) Environmental Accounting.
(C) Inflation Accounting. (D) None of the above.
19. _____ is concerned with the development of measurement system to monitor social performance.
- (A) Social Accounting. (B) Environmental Accounting.
(C) Inflation Accounting. (D) None of the above.
20. _____ acts as an evidence of social commitment.
- (A) Social Accounting. (B) Environmental Accounting.
(C) Inflation Accounting. (D) None of the above

C 24565

(Pages : 2 + 4 = 6)

Name.....

Reg. No.....

**SECOND SEMESTER M.Com. DEGREE (CBCSS—SDE/PRIVATE)
EXAMINATION, APRIL 2022**

M.Com.

MCM 2C 07—ADVANCED STRATEGIC MANAGEMENT

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

Section A

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

1. What is strategic intent ?
2. What is benchmarking ?
3. What is competitive advantage ?
4. What is turnaround strategy ?
5. What is organisational redesign ?
6. What is behavioural implementation ?
7. What is DuPont Control model ?

(4 × 2 = 8 weightage)

Section B

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

8. Discuss main approaches to strategic decision making.
9. Distinguish between differentiation and diversification.
10. Discuss Porter's Five Forces analysis.
11. Discuss McKinsey's 7-S framework.
12. Distinguish between strategic alliance and joint venture.

Turn over

13. What is micro environment ? Discuss its implications.
14. Discuss balanced scorecard.

(4 × 3 = 12 weightage)

Section C

*Answer any two questions.
Each question carries 5 weightage.*

15. Discuss portfolio models.
16. What are different types of strategy implementation ?
17. What is corporate level strategy? Discuss various corporate level strategies.
18. What is strategic management? Discuss the process of strategic management.

(2 × 5 = 10 weightage)

CHMK LIBRARY, UNIVERSITY OF CALICUT

CHMK LIBRARY, UNIVERSITY OF CALICUT

C 24565

(Pages : 4)

Name.....

Reg. No.....

**SECOND SEMESTER M.Com. DEGREE (CBCSS—SDE/PRIVATE)
EXAMINATION, APRIL 2022**

M.Com.

MCM 2C 07—ADVANCED STRATEGIC MANAGEMENT

(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 2C 07—ADVANCED STRATEGIC MANAGEMENT

(Multiple Choice Questions for SDE Candidates)

1. Which of the following is not a characteristic of strategic Management ?
 - (A) Strategic issues require top-management decisions.
 - (B) Strategic issues involve the allocation of large amounts of company resources.
 - (C) Strategic issues are future oriented.
 - (D) None of these.
2. When defining strategic management, the most important thing to remember is that it is :
 - (A) Not as easy as you think.
 - (B) Mainly the province of senior managers.
 - (C) A living evolving process.
 - (D) More conceptual than practical.
3. The corporate level is where top management directs :
 - (A) All employees for orientation.
 - (B) Its efforts to stabilize recruitment needs.
 - (C) Overall strategy for the entire organization.
 - (D) Overall sales projections.
4. The strategic management process is :
 - (A) A set of activities that will assure a temporary advantage and average returns for the firm.
 - (B) A decision-making activity concerned with a firm's internal resources, capabilities, and competencies, independent of the conditions in its external environment.
 - (C) A process directed by top-management with input from other stakeholders that seeks to achieve above-average returns for investors through effective use of the organization's resources.
 - (D) The full set of commitments, decisions, and actions required for the firm to achieve above-average returns and strategic competitiveness.
5. Strategy - formulation concepts and tools :
 - (A) Do not differ greatly for different size and type of organizations.
 - (B) Differ greatly for different size and type of organizations.
 - (C) Do not differ greatly for profit or non-profit organizations but differ in small and large organizations.
 - (D) None of the mentioned options.
6. _____ identifies a firm's major competitors and their particular strengths and weaknesses in relation to a sample firm's strategic position.
 - (A) Competitive Profile Matrix.
 - (B) External Factor Evaluation matrix.
 - (C) Internal Factor Evaluation Matrix.
 - (D) Boston consulting group matrix.

7. Switching costs refer to the :
- (A) Cost to a producer to exchange equipment in a facility when new technologies emerge.
 - (B) Cost of changing the firm's strategic group.
 - (C) One-time costs suppliers incur when selling to a different customer.
 - (D) One-time costs customers incur when buying from a different supplier.
8. _____ is/are the source of a firm's, which is/are the source of the firm's _____.
- (A) Resources, capabilities, core competencies.
 - (B) Capabilities, resources, core competencies.
 - (C) Capabilities, resources, above average returns.
 - (D) Core competencies, resources, competitive advantage.
9. According to Greenley, strategic management offers all of these benefits except that :
- (A) It provides an objective view of management problems.
 - (B) It creates a framework for internal communication among personnel.
 - (C) It encourages a favourable attitude toward change.
 - (D) It maximizes the effects of adverse conditions and changes.
10. Identifying and evaluating key social, political, economic, technological and competitive trends and events". Which of the followings best describes this statement ?
- (A) Developing an effective mission statement.
 - (B) Conducting an internal audit.
 - (C) Performing an external audit.
 - (D) Formulating strategy.
11. Elements in a company's external environment that allow to formulate and implement strategies to increase profitability.
- (A) Strength.
 - (B) Success.
 - (C) Opportunity.
 - (D) Productivity.
12. Horizontal integration is concerned with :
- (A) Production.
 - (B) Quality.
 - (C) Product planning.
 - (D) All of the above.
13. The actual performance deviates positively over the budgeted performance. This is an indication of _____ performance.
- (A) Superior.
 - (B) Inferior.
 - (C) Contant.
 - (D) Any of the above
14. The reasons for acquisition are :
- (A) Increased market power.
 - (B) Increased diversification.
 - (C) Increased speed to market.
 - (D) All of the above.

Turn over

15. Three C's affecting today's companies are :
- (A) Customer, Competition, Change. (B) Cost, Competition, Change.
(C) Customer, Competition, Cost. (D) Customer, Cost, Change.
16. The strategic management process is :
- (A) A set of activities that is guaranteed to prevent organizational failure.
(B) A process concerned with a firm's resources, capabilities, and competencies, but not the conditions in its external environment.
(C) A set of activities that to date have not been used successfully in the not-for-profit sector.
(D) A dynamic process involving the full set of commitments, decisions, and actions related to the firm.
17. The _____ environment is composed of elements in the broader society that can influence an industry and the firms within it.
- (A) General. (B) Competitor.
(C) Sociocultural. (D) Industry.
18. A cost leadership strategy provides goods or services with features that are :
- (A) Acceptable to customer. (B) Unique to the customer.
(C) Highly valued by the customer. (D) Able to meet unique needs of the customer.
19. _____ is a participative, systematic approach to planning and implementing a constant organizational improvement process.
- (A) WPM. (B) TQM.
(C) SCM. (D) QC.
20. Vertical integration strategies :
- (A) Extend a company's competitive scope within the same industry by expanding its operations across more parts of the industry value chain.
(B) Are one of the best strategic options for helping companies win the race for global market leadership.
(C) Offer good potential to expand a company's line up of products and services.
(D) All of these.

C 24566

(Pages : 4 + 4 = 8)

Name.....

Reg. No.....

**SECOND SEMESTER M.Com. DEGREE (CBCSS—SDE/PRIVATE)
EXAMINATION, APRIL 2022**

M.Com.

MCM 2C 08—STRATEGIC COST ACCOUNTING

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

Part A

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

1. What is inter-process profit ?
2. What are the limitations of absorption costing ?
3. State the differences between cost centre and profit centre.
4. Briefly explain the components of Throughput accounting.
5. What are the objectives of Activity Based Costing ?
6. Brief the benefits of Theory of constraints.
7. Define :
 - (a) Target Costing.
 - (b) Blackflush accounting.

(4 × 2 = 8 weightage)

Part B

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

8. Briefly explain the procedure of computation of Equivalent production.
9. Prepare a statement of equivalent production and statement of cost from the following information using average costing method :

Opening Stock - 50000 Units

Material Rs. 25,000

Labour Rs. 10,000

Overheads Rs. 25,000

Units Introduced - 2000000

Units Material Rs. 100000

Wages Rs. 75,000

Overheads Rs. 70,000

During the period 1,50,000 units were completed and transferred to Process II.

Closing stock 1,00,000 units. Degree of completion.

Material 100 %

Labour 50 %

Overheads 40 %

Turn over

10. D and D is a denim manufacturer that operates in a very competitive environment. It sells denim to different companies that manufacture and market jeans under their own brands. D and D can only charge Rs. 20 per meter. If the company's intended profit margin is 15 % on cost, calculate the target cost per unit. If 30 % of the cost per meter of denim is related to direct materials, what's the target cost per unit for direct materials.
11. SG Ltd. has two divisions Division X and Division Y. Division X produces product A, which it sells to external market and also to Division Y. Divisions in the SG Ltd. Are treated as profit centres and divisions are given autonomy to set transfer prices and to choose their supplier. Performance of each division measured on the basis of target profit given for each period. Division X can produce 1,00,000 units of product A at full capacity. Demand for product A in the external market is for 70,000 units only at selling price of Rs. 2,500 per unit. To produce product A Division X incurs Rs. 1,600 as variable cost per unit and total fixed overhead of 4,00,00,000. Division X has employed Rs. 12,00,00,000 as working capital, working capital is financed by cash credit facility provided by its lender bank @ 11.50 % p.a. Division X has been given a profit target of Rs. 2,50,00,000 for the year. Division Y has found two other suppliers M Ltd and N Ltd. who are agreed to supply product A. Division Y has requested a quotation for 40,000 units of product A from Division X. Calculate the transfer price per unit of product A that Division X should quote in order to meet target profit for the year.
12. Division A of a manufacturing company has set a target sale of 4,00,000 units of a product at a price to fetch a return on 25% on the assets employed. The following data are available

Fixed costs	8,00,000
Variable costs	Rs. 1/unit
Assets employed :	
Fixed assets	8,00,000
Current assets	16,00,000

The market can however absorb only 2,80,000 units. Consequently, Division-B at Rs. 4.50/unit. Division B its requirement of 1,20,000 units at Rs. 2.25 per unit and restricts its activity to 2,80,000 units of market sale, it could reduce the investments in stocks to the tune of Rs. 1,60,000 and fixed assets by Rs. 2,40,000. Besides, it's selling expense, will also go down by Rs. 80,000.

Prepare statement and advise whether Division A should agree to supply Division B's requirement of 1,20,000 units at Rs. 2.25 per unit.

13. A division of XY company produces following 2 types of products :

	Product A	Product B
Selling price/unit	200	280
Material cost/unit	80	100
Variable conversion cost/unit	20	60
Maximum sales potential in units	75,000	35,000
Production per machine hour/unit	3.125	2.5

Maximum capacity hours are 30,000. Total fixed overhead are Rs. 42,00,000.

Calculate throughput accounting ratio for each product and rank the products for manufacture.

14. Two products, P and Q are obtained in a crude form and required further processing at a cost of Rs. 5 for P and Rs. 4 for Q per unit before sales. Assuming a net margin of 25 percent on cost, their sale prices are fixed at Rs. 13.75 and Rs. 8.75 per unit, respectively. During the period, the joint cost was Rs. 88,000 and the output were

P - 8,000 units Q - 6,000 units

Ascertain the joint cost per unit.

(4 × 3 = 12 weightage)

Part C

*Answer any two questions.
Each question carries 5 weightage.*

15. Explain in detail various classifications of cost.
16. Define productivity. Explain the causes of low productivity. And also explain the elements of productivity plan.
17. Ramco Co Ltd manufactures three products, X, Y and Z. Demand for products X and Y is relatively elastic while demand for product Z is relatively inelastic. Each product uses the same materials and the same type of direct labour but in different quantities. For many years, the company has been using full absorption costing and absorbing overheads on the basis of direct labour hours. Selling prices are then determined using cost plus pricing. This is common within this industry, with most competitors applying a standard mark-up.

Budgeted production and sales volume for X, Y and Z for the next year are 20,000 units, 16,000 units and 22,000 units respectively. The budgeted direct costs of the three products are shown below :

Product	X (per unit)	Y (per unit)	Z (per unit)
Direct materials	25	28	22
Direct labour (Rs. 12 /hour)	30	36	24

Turn over

In the next year, Ramco Co also expects to incur indirect production costs of Rs. 13,77,400, which are analysed as follows :

<i>Cost pools</i>	<i>Rs.</i>	<i>Cost drivers</i>
Machine set up costs	2,80,000	Number of batches
Material ordering cost	3,16,000	Number of purchase orders
Machine running costs	4,20,000	Number of machine hours
General facility costs	3,61,000	Number of machines hours
Total	13,77,400	

The following additional data relate to each product :

<i>Product</i>	<i>X</i>	<i>Y</i>	<i>Z</i>
Batch size (units)	550	800	400
No of purchase orders per batch	4	5	4
Machine hours per unit	1.5	1.25	1.4

Ramco Co wants to boost sales revenue in order to increase profits but its capacity to do this is limited because of its use of cost-plus pricing and the application of the standard mark-up. The finance director has suggested using Activity Based Costing (ABC) instead of full absorption costing, since this will alter the cost of the products and may therefore enable a different price to be charged.

- Calculate the budgeted full production cost per unit of each product using Ramco's current method of absorption costing.
- Calculate the budgeted full production cost per unit of each product using Activity Based Costing.

18. Product X is obtained after it passes through three distinct processes. Prepare process accounts from the following :

	<i>Process I</i>	<i>Process II</i>	<i>Process III</i>	<i>Total</i>
Material	5,200	3,960	5,924	15,084
Direct wages	4,000	6,000	8,000	18,000

Production overhead - 18,000. 1000 units @ Rs. 6 per unit were introduced in process

I. Production overheads to be distributed as 100 % on direct wages.

	<i>Actual output unit</i>	<i>Normal loss</i>	<i>Value of scarp/unit</i>
Process I	950	5 %	4
Process II	840	10 %	8
Process III	750	15 %	10

(2 × 5 = 10 weightage)

C 24566

(Pages : 4)

Name.....

Reg. No.....

**SECOND SEMESTER M.Com. DEGREE (CBCSS—SDE/PRIVATE)
EXAMINATION, APRIL 2022**

M.Com.

MCM 2C 08—STRATEGIC COST 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 2C 08—STRATEGIC COST ACCOUNTING
(Multiple Choice Questions for SDE Candidates)

1. Marginal costing is a ———.
 - (A) Method of costing.
 - (B) Technique of costing.
 - (C) Process of costing.
 - (D) None of the above.
2. For decision making purpose, which is more suitable to the management :
 - (A) Standard costing.
 - (B) Marginal costing.
 - (C) Absorption costing.
 - (D) Traditional costing.
3. Activity-based costing :
 - (A) Uses a plant-wide overhead rate to assign overhead.
 - (B) Is not expensive to implement.
 - (C) Typically applies overhead costs using direct labor-hours.
 - (D) Uses multiple activity rates.
4. Assume that a company produces two products in a manufacturing plant. One is a low volume specialty product that is produced on a demand pull basis, while the other is a high volume product that is produced on a push basis for inventory. A production volume based cost allocation system would tend to :
 - (A) Accurately reflect the product cost of the two products.
 - (B) Overstate the product cost of the low volume product.
 - (C) Understate the product cost of the low volume product.
 - (D) Overstate the product cost of both products.
5. Which of the following is not an argument for using a separate stand alone system for activity based costing, i.e., rather than integrating ABC with the general ledger system used for GAAP ?
 - (A) GAAP product costs may be incorrect relative to ABC product costs.
 - (B) It is faster to develop.
 - (C) It is less costly to develop.
 - (D) Subjective information can be used that auditors might question.
6. The main difference (or differences) between how traditional costing and activity based costing treat indirect manufacturing costs is (are) that :
 - (A) Traditional costing uses only production volume based drivers while activity based costing uses only non-production volume based drivers.
 - (B) Traditional costing treats only unit level costs as variable, while abc systems treat unit level, batch level and product level costs as variable.
 - (C) Traditional cost allocations are usually based on a plant wide overhead rate, while abc systems use departmental overhead rates.
 - (D) (A) and (B).

7. When traditional production volume based overhead allocations are made, rather than activity based allocation ?
- (A) The unit costs of high volume and large size products tend to be overstated, while the unit costs of low volume and small products tend to be understated.
 - (B) The unit costs of high volume and large size products tend to be understated, while the unit cost of low volume and small products tend to be overstated.
 - (C) The unit costs of high volume and small products tend to be overstated, while the unit costs of low volume and large product is understated.
 - (D) The unit costs of high volume and small products tend to be understated, while the unit costs of low volume and large products is overstated.
8. One characteristic of products that are mass-produced in a continuous production process is that :
- (A) The products are identical or very similar in nature.
 - (B) They are grouped in batches.
 - (C) They are produced at the time an order is received.
 - (D) Their costs are accumulated on job cost sheets.
9. Which of the following system applies when standard goods are produced under a series of inter connected operations ?
- (A) Job order costing.
 - (B) Process costing.
 - (C) Standard costing.
 - (D) All of the above.
10. Which of the following is not relevant to a process costing system ?
- (A) Heterogeneous products.
 - (B) Recitative production.
 - (C) High production volume.
 - (D) Low production flexibility.
11. In a process costing system, the manufacturing overhead (or factory OH) is usually applied using.
- (A) Predetermined overhead rate.
 - (B) An actual overhead rate.
 - (C) A conversion overhead rate.
 - (D) An indirect labor rate.
12. In process costing the abnormal loss occurred in a production department is :
- (A) Charged to finished goods.
 - (B) Charged to unfinished goods.
 - (C) Charged to factory overhead.
 - (D) Ignored.
13. In increase in inventories indicates that ?
- (A) More merchandise was purchased then the amount sold to customer.
 - (B) Less merchandise was purchased then sold to the customer.
 - (C) Not all purchases were cash.
 - (D) Cash payments were more than purchases on account.
14. The inventories are recorded at the latest price but the production cost is changed old cost price ?
- (A) FIFO.
 - (B) Average.
 - (C) Both (A) and (B).
 - (D) None.

Turn over

15. Which one of the following methods for inventory valuation may be misleading when the units are identical ?
- (A) FIFO Method (B) LIFO Method.
(C) Specific Identification Method. (D) None.
16. In conditions of inflation, which method will lead to the lowest value of stock ?
- (A) FIFO. (B) LIFO.
(C) Average price method. (D) Weighted average price method.
17. The average inventory costing method which results in a changed unit inventory cost after each successive purchase ?
- (A) Weighted average. (B) Moving average.
(C) Specific cost. (D) Simple average.
18. Productivity is the ratio between input and _____.
- (A) Product. (B) Output.
(C) Value. (D) Cost.
19. _____ is an important part of lean thinking.
- (A) Lean Management. (B) Cost Management.
(C) Strategic Cost. (D) Cost Reduction.
20. _____ means change for the better.
- (A) Kaizen. (B) Theory of Constraints.
(C) Kanban. (D) C. JIT.

C 24567

(Pages : 2 + 4 = 6)

Name.....

Reg. No.....

SECOND SEMESTER M.Com. DEGREE EXAMINATION, APRIL 2022

(CBCSS—SDE/PRIVATE)

M.Com.

MCM 2C 09—INTERNATIONAL BUSINESS

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

Part A

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

1. What is FDI ? Write any *two* features.
2. What is meant by value chain analysis ?
3. What is counter trade ?
4. What do you understand by transfer of technology ?
5. What is Protectionism ?
6. What do you know about NAFTA ?
7. What do you mean by direction of trade ?

(4 × 2 = 8 weightage)

Part B

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

8. Explain the role of WTO in international trade.
9. Make an outline about SAARC.
10. What are the strategies of international business ?
11. Explain the various levels of economic integration.
12. State the merits of international trade.

Turn over

13. What are the organisations' objectives in the context of the global production strategy?
14. Explain the different modes of FDI entry.

(4 × 3 = 12 weightage)

Part C

Answer any two questions.

Each question carries 5 weightage.

15. Discuss the techniques for regulating and promoting foreign trade in India.
16. Illustrate the organisational structure of MNCs.
17. Elaborate the reasons for the shortage of international liquidity and the measures to resolve the same issues.
18. Write an essay on BOP.

(2 × 5 = 10 weightage)

CHMK LIBRARY, UNIVERSITY OF CALICUT

CHMK LIBRARY, UNIVERSITY OF CALICUT

C 24567

(Pages : 4)

Name.....

Reg. No.....

SECOND SEMESTER M.Com. DEGREE EXAMINATION, APRIL 2022

(CBCSS—SDE/PRIVATE)

M.Com.

MCM 2C 09—INTERNATIONAL BUSINESS

(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 2C 09—INTERNATIONAL BUSINESS

(Multiple Choice Questions for SDE Candidates)

1. Who introduced the concept of value chain ?
 - (A) Porter.
 - (B) Adam Smith.
 - (C) Alfred Marshall.
 - (D) C K Prahalad.
2. Power distance Index (PDI) of 77 compared to a world average of 56.5 for India indicates :
 - (A) High level of inequality of power and wealth within the society.
 - (B) Low level of inequality of power and wealth within the society.
 - (C) High level of Political corruption.
 - (D) Low level of Human development Index.
3. _____ theory states that, lack of resources often helps countries to become competitive.
 - (A) Competitive theory.
 - (B) Porters Diamond Model.
 - (C) Theory of Mercantilism.
 - (D) Product life cycle theory.
4. The country that attracts the largest FDI inflow is :
 - (A) India.
 - (B) China.
 - (C) USA.
 - (D) Brazil.
5. Credits transferable by original beneficiary in favor of secondary beneficiary are known as :
 - (A) Deferred credits.
 - (B) Transit credits.
 - (C) Instalment credits.
 - (D) Transferable credits.
6. An analysis to the external environment enables a firm to identify :
 - (A) Strengths and opportunities.
 - (B) Strengths and weaknesses.
 - (C) Weakness and threats.
 - (D) Opportunities and threats.
7. The Theory of Relative Factor Endowments is given by :
 - (A) Ohlin-Heckscher.
 - (B) F Y Taylor.
 - (C) Ricardo.
 - (D) Porter.

8. In order to protect the domestic industries, India was following the regime of _____.
- (A) Devaluing foreign currencies. (B) Quantitative restrictions on exports.
(C) Devaluing Indian currencies. (D) Quantitative restrictions on imports.
9. Typically the last step in the internationalization process is :
- (A) Licensing. (B) Exporting.
(C) Wholly owned subsidiaries. (D) Foreign Direct Investment.
10. Which is the right sequence of a stages of Internationalization ?
- (A) Domestic, Transnational, Global, International, Multinational.
(B) Domestic, International, Multinational, Global, Transnational.
(C) Domestic, Multinational, International, Transnational, Global.
(D) Domestic, International, Transnational, Multinational, Global.
11. International business does not result in the following :
- (A) Innovation is encouraged. (B) International co-operation is encouraged.
(C) Imports are rendered cheap. (D) Consumption is minimized.
12. Geographical indications specify :
- (A) Place of origin of goods.
(B) Special characteristics of the product associated with the place of origin.
(C) Place and special characters of the product.
(D) Place or special characters of the product.
13. No new investment in the host country is created in the case of :
- (A) Greenfield FDI. (B) Acquisition.
(C) Horizontal FDI. (D) Vertical FDI.
14. Countries/ regions with huge market size will attract :
- (A) Market seeking FDI. (B) Efficiency seeking FDI.
(C) Vertical FDI. (D) Created assets seeking FDI.

Turn over

15. Religion of a person affects his/her :
- (A) Attitude towards entrepreneurship.
 - (B) Gifting practices.
 - (C) Use of products.
 - (D) All of the above.
16. The following nationals would be aggressive at the beginning of business negotiations, but offer large concessions in the end :
- (A) American.
 - (B) Russian.
 - (C) German.
 - (D) Japanese.
17. Lower power distance countries are characterized by :
- (A) Relationships based on equality and informality.
 - (B) Authority being accepted without question.
 - (C) Managers being paternalistic.
 - (D) Tall organizations structure.
18. A country in the stage of traditional society is characterized by :
- (A) Existence of traditional rule.
 - (B) Non-existence of industries.
 - (C) Predominance of agriculture.
 - (D) Complete absence of literacy.
19. In a business cycle, the phase preceding prosperity is :
- (A) Recession.
 - (B) Depression.
 - (C) Recovery.
 - (D) Recession or depression.
20. The following factors are key drivers of globalisation :
- (A) Government action, exchange rates, competition and sociodemographic factors.
 - (B) Market convergence, competition, exchange rates and cost advantages.
 - (C) Cost advantages, government action, economic cycles and competition.
 - (D) Market, cost, competition and government policies.

C 24568

(Pages : 3 + 4 = 7)

Name.....

Reg. No.....

SECOND SEMESTER M.Com. DEGREE EXAMINATION, APRIL 2022

(CBCSS—SDE/PRIVATE)

M.Com.

MCM 2C 10—MANAGEMENT SCIENCE

(2019 Admission onwards)

Time : Three Hours

Maximum : 30 Weightage

Part A

Answer any four questions.

Each question carries 2 weightage.

1. Discuss the transient solutions in queuing theory.
2. Explain value of the game.
3. What are Markov chains ?
4. What is dummy activity ?
5. Explain ABC analysis ?
6. What is critical activity ?
7. What do you mean by Mixed strategy ?

(4 × 2 = 8 weightage)

Part B

Answer any four questions.

Each question carries 3 weightage.

8. Explain the methods of finding the initial feasible solution in transportation problem.
9. Discuss the basic assumptions of Linear Programming Problem.
10. A TV repairman finds that the time spent on his job has an exponential distribution with mean 30 minutes. If he repairs sets in the order in which these come in, and if the arrival of sets is approximately Poisson with an average rate of 10 per 8-hour day, what is the repairman's expected idle time each day ? How many jobs are ahead of the average set just brought in ?

Turn over

11. A stockiest has to supply 400 units of a product every Monday to his customers. He gets the product at Rs. 50 per unit from the manufacturer. The cost of ordering and transportation from the manufacturer is Rs. 75 per order. The cost of carrying inventory is 7.5 % per year of the cost of the product. Find :

(i) Economic lot size ; and (ii) The total optimal cost (including the capital cost).

12. From the following payoff matrix find the value of game :

		Player B				
		I	II	III	IV	V
Player A	I	-2	0	0	5	3
	II	3	2	1	2	2
	III	-4	-3	0	-2	6
	IV	5	3	-4	2	-6

13. Draw a network diagram from the following activities :

Job	Predecessor	Job	Predecessor	Job	Predecessor
A	-	F	A	L	G, H
B	-	G	F	M	J, K, L
C	A	H	D, E	N	J, K, L
D	A	J	G, H	O	K, J
E	B, C	K	G, H		

14. Solve the following assignment problem. Cell values represent cost of assigning job A, B, C and D to the machines I, II, III and IV :

		Machines			
		I	II	III	IV
Jobs	A	10	12	19	11
	B	5	10	7	8
	C	12	14	13	11
	D	8	15	11	9

(4 × 3 = 12 weightage)

Part C

Answer any two questions.

Each question carries 5 weightage.

15. Discuss the different types of models in decision making and their uses.
16. Solve the following problem graphically :

Minimize $Z = 3x + 9y$
 subject to the constraints : $x + 3y \leq 60$
 $x + y \geq 10$
 $x \leq y$
 $x \geq 0, y \geq 0.$

17. Following are the times estimates of the project (in weeks) :

Activity	Preceding activity	Most Optimistic Time (a)	Most Likely Time (m)	Most Pessimistic Time (b)
A	None	2	4	12
B	None	10	12	26
C	A	8	9	10
D	A	10	15	20
E	A	7	7.5	11
F	B, C	9	9	9
G	D	3	3.5	7
H	E, F, G	5	5	5

- (i) Draw the PERT network for the project.
- (ii) Prepare the activity schedule for the project.
- (iii) Determine the critical path.
- (iv) If a 30-week deadline is imposed, what is the probability that the project will be finished within the time limit ?
18. Elaborate the different inventory models used in inventory management.

(2 × 5 = 10 weightage)

C 24568

(Pages : 4)

Name.....

Reg. No.....

SECOND SEMESTER M.Com. DEGREE EXAMINATION, APRIL 2022

(CBCSS—SDE/PRIVATE)

M.Com.

MCM 2C 10—MANAGEMENT SCIENCE

(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 2C 10—MANAGEMENT SCIENCE

(Multiple Choice Questions for SDE Candidates)

1. In India, first Operations Research unit was set up at _____.
 - (A) Regional Research Laboratory, Hyderabad.
 - (B) Indian Statistical Institute, Kolkotha.
 - (C) Indian Institute of Science and Technology, Bengaluru.
 - (D) Indian Institute of Science and Technology, Mohali.
2. Who defined Operations Research as “the art of giving bad answers to problems which otherwise have worse answers” ?
 - (A) H M Wagner.
 - (B) H A Taha.
 - (C) T L Saaty.
 - (D) Arthur Clark.
3. Operations Research has the characteristic that it is done by a team of _____.
 - (A) Scientists.
 - (B) Mathematicians.
 - (C) Academicians.
 - (D) Politicians.
4. _____ models are obtained by enlarging or reducing the size of the items.
 - (A) Iconic models.
 - (B) Analogue models.
 - (C) Symbolic models.
 - (D) None of these.
5. _____ models assume that the values of the variables do not change with time during a particular period.
 - (A) Dynamic
 - (B) Static.
 - (C) Both (A) and (B).
 - (D) None of these.
6. Dual of the dual is a _____.
 - (A) Dual.
 - (B) Primal.
 - (C) Alternative.
 - (D) None of these.
7. For salesman who has to visit ‘ n ’ cities, which of the following are the ways of his tour plans :
 - (A) $n!$.
 - (B) $(n + 1)!$.
 - (C) $(n - 1)!$.
 - (D) n .

8. The variables whose co-efficient vectors are unit vectors, are called _____.
- (A) Unit variables. (B) Basic variables.
(C) Non-basic variables. (D) None of these.
9. In maximisation cases, _____ are assigned to the artificial variables as their co-efficients in the objective function.
- (A) $+m$. (B) $-m$.
(C) 0 (D) None of these.
10. In a maximisation assignment problem, the objective is to maximise _____.
- (A) Profit. (B) Cost.
(C) Optimisation. (D) None of these.
11. _____ is concerned with determination of the most economic replacement policy.
- (A) Probabilistic programming. (B) Linear programming.
(C) Linear programming. (D) Replacement theory.
12. Which of the followings is an assumption of Linear Programming Technique ?
- (A) Divisibility. (B) Additivity.
(C) Proportionality. (D) All of the above.
13. While solving an LPP, infeasibility may be removed by :
- (A) Removing a variable. (B) Removing a constraint.
(C) Adding a variable. (D) Adding a constraint.
14. An organisation chart is an example of _____.
- (A) Iconic model. (B) Mathematical model.
(C) Analogue model. (D) None of these.
15. An activity which must be completed before commencement of one or more other activities is called _____.
- (A) Successor activity. (B) Predecessor activity.
(C) Dummy activity. (D) None of these.

Turn over

16. An event which represents the beginning of more than one activity is a :
- (A) Merge event. (B) Net event.
(C) Burst event. (D) None of these.
17. In a network diagram, activity is denoted by _____.
- (A) Node. (B) Arrow.
(C) Triangle. (D) None of these.
18. Which of the following method is used to solve mixed strategy problems ?
- (A) Probability method. (B) Graphic method.
(C) Linear Programming method. (D) All of the above.
19. In queuing theory, FCFS stand for _____.
- (A) First Cum First Served. (B) First Customer First Served.
(C) Fast Channel First Served.
20. Game theory became popular when the book "Theory of Games and Economic Behaviour" was published in 1944 by _____.
- (A) Von Neumann. (B) Mc Closky.
(C) Von-Neumann and Mc Closky. (D) Von-neumann and Morgenstern.