

PAPER – 13

MANAGEMENT ACCOUNTING-STRATEGIC MANAGEMENT

TEST PAPER – III13/MSM/2008/T-2

Time Allowed: 3 Hours

Full Marks: 100

Answer Part A and any five Questions from Part B

Part A

Objective type

2 x 10 = 20

1. Strategic Control does not include?
 - a. Strategic surveillance
 - b. Premise control
 - c. Implementation control
 - d. Budgetary control
 - e. Special alert control
2. Standard classes of organization structure do not include?
 - a. Simple structure
 - b. Machine bureaucracy
 - c. Professional bureaucracy
 - d. Capital structure
 - e. Adhocracy
3. An anti takeover defense that creates securities that provide their holders with special rights in the event of a takeover is called:-
 - a. Poison Put
 - b. Poison Pill
 - c. Flip Pill
 - d. Proxy rights
 - e. Bear Hug

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4. NRAA has been created in November 2006 to support up gradation and management of dry land and rain fed agriculture. NRAA stands for
 - a. National Rain fed Area Authority
 - b. National Rural farming Areas Authority
 - c. National Reconstruction Asset Allocation
 - d. National Reallocation of Available Assets
 - e. None of the above

5. Value drivers identified in Differentiation Strategy do not include?
 - a. Sales growth rate
 - b. Waste reduction
 - c. Operating profit margin
 - d. Fixed capital investment
 - e. Cost of capital

6. Judy Strauss and Raymond Frost's e-marketing model defines e-business as
 - a. $EB = EC + SCM + ERP$
 - b. $EB = EC + BI + CRM + SCM + ERP$
 - c. $EB = EC + BI + CRM$
 - d. $EB = CRM + SCM + ERP$
 - e. $EB = SCM + ERP$

7. Contribution of management accountant in strategic change portfolio exercise is
 - a. To lay down strategic initiatives in a chronological order over the time horizon of the strategy
 - b. Be part of cross functional team to lay down tactical initiatives
 - c. Be part of cross functional team to lay down strategic initiatives in a chronological order over the time horizon of the strategy
 - d. Be part of cross functional team to perform financial audit
 - e. None of these

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8. Types of risks do not include
 - a. Business risks
 - b. Market risks
 - c. Interest rate risks
 - d. Default risks
 - e. Uncertainty
9. RORAC means
 - a. Risk oriented return against capital
 - b. Return on real asset computation
 - c. Return on risk-adjusted capital
 - d. Return on risky assets and capital
 - e. Return on risk associated capital
10. _____ refers to the uncertainty of market volumes in the future and the quantum of future income caused by the variations in the interest rates.
 - a. Market risk
 - b. Physical risk
 - c. Interest rate risk
 - d. Pooling risk
 - e. Exchange risk

Part B

Answer any five questions

5 x 16 = 80

11. SEBI has introduced corporate governance in a comprehensive manner to protect shareholders interests as well as provide teeth in monitoring companies' performance through independent directors. Discuss.
12. "Growth through concentric diversification into a related industry may be a very appropriate corporate strategy" Comment.
13. Growth of infrastructure has lagged behind and may assume serious proportions during the eleventh five year plan. How does the government of India plan to meet this challenge?

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14. Write short notes on:

- a. Value migration
- b. Profiling customers
- c. Segmentation

15. What are the phases of a value engineering job plan?

16. How do you measure physical risk?

17. Define liability exposures. Write a short note on:

- Contractual liability
- Agro and Bio liabilities

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