

**PAPER-13**

**MANAGEMENT ACCOUNTING-STRATEGIC MANAGEMENT**  
**REVALIDATION TEST PAPER-RV/13/MSM/2010**

**Time-3Hours**

**Full Marks-100**

**ANSWER Q1 & Q6 WHICH ARE COMPULSORY AND ANY OTHER THREE QUESTIONS  
FROM SECTION I AND ANY TWO QUESTIONS FROM SECTION II**

**SECTION I-STRATEGIC MANAGEMENT**

1(a) Define the following terms 2\*5

- (i) Long range Planning
- (ii) Forecasting
- (iii) Econometric Model
- (iv) Human Resource Strategy
- (v) Marketing Strategy

(b)(i) SEBI stands for 1\*5

- a. Securities and exchange body of India
- b. Securities and exchange board of India
- c. Shares equities board of India
- d. Stock exchange board of India
- e. Stock exchange board of investors

(ii) The acquisition of HUTCH by Vodafone is an example of

- a. Horizontal Integration
- b. Forward Integration
- c. Vertical Integration
- d. Concentric Diversification

(iii)The Government encourages industry, investment and FDI by creating SEZ's. The term SEZ stands for:-

- a. Special Equity Zones
  - b. Software Export Zones
  - c. Special Economic Zones
  - d. Special Entitlement Zones
  - e. Special Effort Zones
- (vi) Value drivers identified in cost leadership model do not include?
- a. Sales growth rate
  - b. Operating profit margin
  - c. Differentiation
  - d. Working capital investment
  - e. Cost of capital
- (v) Standard classes of organization structure do not include?
- a. Simple structure
  - b. Machine bureaucracy
  - c. Professional bureaucracy
  - d. Capital Structure
  - e. Adhocracy
2. Growth through concentric diversification into a related industry may be a very appropriate corporate strategy” Comment. 15
3. State briefly the purpose of a SWOT analysis? What are the major outcomes from such an analysis? 15
4. Customer now articulates his own option to create a new product, as he has become “the boss”. How does this reflect change from product orientation to market orientation? 15

5. Write short notes on:
- a. Value migration
  - b. Profiling customers
  - c. Segmentation 5\*3

## SECTION II-RISK MANAGEMENT

- 6 State whether the following statements are true or false(with justification) 2\*5
- (i) Measures relating to risk profiling are related to the level of operational efficiency of the company
  - (ii) CAPM attempts to measure the risk for capital asset of a company
  - (iii) Risk Management Techniques include among other things the risk premium payable
  - (iv) Risk cannot be avoided through insurance but may be considered as a means to transfer the risk
  - (v) The concept of certainty equivalent coefficient represents the computation of a certain amount equivalent to a probable income or loss
7. What is risk? Discuss different types of risks? What are the characteristics of insurance contract? 15
8. Risk MANAGEMENT Strategies are seven fold-Identify them and discuss any three of them. 15
9. Write a short note on
- (i) Project Risk Management
  - (ii) Risk and Uncertainty
  - (iii) Diversification of Risk 5\*3