Behind every successful business decision, there is always a CMA
MESSAGE FROM THE CHAIRMAN

Dear Students,

“Education is the kindling of a flame, not the filling of a vessel”. An investment in knowledge pays the best interest and learning is the eye of the mind. Education breeds Confidence, confidence breeds Hope, Hope breeds Peace. The capacity to learn is a gift, the ability to learn is a skill; the willingness to learn is a choice. Intelligence plus Character is the goal of true education.

Every one of you should have an aim and an aimless life is always a miserable life. To lead a successful life your aim should be high, wide target oriented and this in turn will make your life precious to yourself and to others. But whatever your ideal be, it cannot be perfectly realised unless you have realised perfection in yourself. Everything may be achieved by means of discipline and if you are not enough serious and disciplined, you may not be successful as a professional.

June term of examination is approaching and I know, everyone of you are trying hard to become successful in your examination. What I request you; please read your Study Material carefully, follow MTPs and E-bulletins and practice to solve the problems meticulously. What I suggest; Don’t stress do your best. In the examination hall; follow your heart but take the brain with you!

Please don’t be panic stricken; “Education is learning, what you didn’t even know you didn’t know”

The Directorate of Studies is sincerely putting their effort to help you for coming out as a true professional and a torch bearer of the nation. Your duty is to grab the available resources, to derive the benefits given and to make you a successful professional. Academicians of repute are contributing in this bulletin despite their busy schedule; if you are having any doubts on any subject you may resolve those issues by mailing them. “Education gives you wings to fly”

“Never stop learning; for when we stop learning we stop growing”

Best of luck for your forthcoming examination,

CMA Manas Kumar Thakur

Be a CMA, be a Proud Indian

“Behind every successful business decision there is always a CMA”
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Behind every successful business decision, there is always a CMA
In this section of e-bulletin we shall have a series of discussion on each of these chapters to provide a meaningful assistance to the students in preparing themselves for the examination at the short end and equip them with sufficient knowledge to deal with real life complications at the long end.
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Your Preparation Quick Takes

Behind every successful business decision, there is always a CMA

Syllabus Structure
A Fundamentals of Economics 50%
B Fundamentals of Management 50%
Learning Objectives:

- Studying economics, one will be able to develop the analytical skills needed to work successfully in the field, including the study of logical analysis.
- Students will be able to identify and explain economic concepts and theories related to the behaviour of economic agents, markets, industry and firm structures, legal institutions, social norms, and government policies.
- Students will be able to integrate theoretical knowledge with quantitative and qualitative evidence in order to explain past economic events and to formulate predictions on future ones.
- Students will be able to evaluate the consequences of economic activities and institutions for individual and social welfare.

TIPS FOR THE MONTH OF MAY (ECONOMICS)

Friends I hope you have enjoyed solving the practice paper provided to you last month. I also hope that you have been able to solve the problems on your own. This month also we will furnish another practice paper which will go a long way in helping you out in the ensuing exam.

1. CHOOSE THE CORRECT ANSWER

1. Some economists think that the subject ECONOMICS examines the economic events and tells us as the things “ought to be”. So ECONOMICS is a
   a. Social science
   b. Positive science
   c. Normative science
   d. Natural science

2. If the demand for a commodity is doubled with the doubling of income of the consumer, the income elasticity of demand for that commodity will be
   a. Infinity
   b. Unity
   c. Zero
   d. Negative

3. When people demand more of a commodity with the rise in its market price, the reason may be attributed to
   a. Parametric shift of the demand curve
   b. Parametric shift of the supply curve
   c. Parametric shift of the demand curve to the right with no shift of the supply curve
   d. Parametric shift of both the demand and the supply curve

4. When the average productivity curve rises
   a. The marginal productivity curve rises also
   b. The marginal productivity curve falls
   c. The marginal productivity remains constant throughout
   d. Nothing can be specified about the trend of the marginal productivity

5. As a result of external diseconomies,
   a. The SAC curve of the firm will shift upward
   b. The LAC curve of the firm will shift upward
   c. The SAC curve of the firm will shift downward
   d. The LAC curve of the firm will shift downward

6. The short run supply curve of the firm under perfect competition is
   a. The entire portion of the MC curve lying above the AC curve
   b. The entire portion of the MC curve lying below the AC curve
   c. The entire portion of the MC curve lying above the AVC curve
   d. The entire portion of the MC curve lying below the AVC curve

7. The equilibrium market price is determined under perfect competition by
   a. The majority of the firms under the industry
   b. The average cost of the representative firm under the industry
   c. The marginal cost of the representative firm under the industry
   d. The interaction of the aggregate demand and the aggregate supply curve

8. The other name of MONOPOLISTIC COMPETITION is
   a. Price discrimination
   b. Product discrimination
   c. Price differentiation
   d. Product differentiation

9. Price discrimination can occur when
   a. All factors of production are perfectly mobile
   b. Degree of monopoly is high and all consumers are allowed to resell the product
   c. Markets are monopolistic and perfectly segmented
   d. Markets are monopolistic and the price elasticities of demand are the same

10. Gresham’s law states that
    a. Bad money drives good money out of circulation
    b. Good money drives bad money out of circulation
    c. Dear money drives cheap money out of circulation
    d. Metal money drives paper money out of circulation

11. According to Fisher, if 10,000 tons of food-staff are transacted in the market at an average price of Rs. 100 per ton and if the velocity of money is 10, then the money supply needed to finance this is
    a. Rs. 10,00,000
    b. Rs. 1000
    c. Rs. 1 lakh
    d. Rs. 10,000

12. Inflation is defined as
    a. A situation when aggregate supply of goods and services exceeds aggregate demand
    b. A situation when too little money chases
Behind every successful business decision, there is always a CMA.
Behind every successful business decision, there is always a CMA.
Leadership vs. Management

Leadership and management are the terms that are often considered synonymous. It is essential to understand that leadership is an essential part of effective management. As a crucial component of management, remarkable leadership behaviour stresses upon building an environment in which each and every employee develops and excels. Leadership is defined as the potential to influence and drive the group efforts towards the accomplishment of goals. This influence may originate from formal or informal sources as provided by acquisition of managerial position in an organization.

A manager must have traits of a leader, i.e., he must possess leadership qualities. Leaders develop and begin strategies that build and sustain competitive advantage. Organizations require robust leadership and robust management for optimal organizational efficiency.

Differences between Leadership and Management

Leadership differs from management in a sense that:
1. While managers lay down the structure and delegates authority and responsibility, leaders provide direction by developing the organizational vision and communicating it to the employees and inspiring them to achieve it.
2. While management includes focus on planning, organizing, staffing, directing and controlling; leadership is mainly a part of directing function of management. Leaders focus on listening, building relationships, teamwork, inspiring, motivating and persuading the followers.
3. While a leader gets his authority from his followers, a manager gets his authority by virtue of his position in the organization.
4. While managers follow the organization’s policies and procedure, the leaders follow their own instinct.
5. Management is more of science as the managers are exact, planned, standard, logical and more of mind. Leadership, on the other hand, is an art. In an organization, if the managers are required, then leaders are a must/essential.
6. While management deals with the technical dimension in an organization or the job content; leadership deals with the people aspect in an organization.
7. While management measures/evaluates people by their name, past records, present performance; leadership sees and evaluates individuals as having potential for things that can’t be measured, i.e., it deals with future and the performance of people if their potential is fully extracted.
8. If management is reactive, leadership is proactive.
9. Management is based more on written communication, while leadership is based more on verbal communication.

What are the Key Characteristics of Leadership?

From a broad perspective, management is smaller scale and more focused on details than leadership. The leader sets the vision and the broad plan, the manager executes it and does what is needed to achieve that plan. Key characteristics of management are:
- A tactical focus on aspects of the organization’s strategy
- Executing on specific areas within their responsibilities
- Formulating and enforcing the policies of a business to achieve its goals
- Directing and monitoring their team to achieve their specific goals

What are the Key Characteristics of Management?

Leadership is setting the tone of an organization, the broad objectives and long term goals will come from the leader, and then managers need to execute on a plan to attain them. Leadership is not necessarily getting caught up in all the details but rather setting the plan and inspiring people to follow them. Key characteristics of leadership are:
- Strategic focus on the organization’s needs
- Establishing goals and the strategic direction
- Establishing principles
- Empowering and mentoring the team to lead them to their goals
- Risk engagement and overall identification
- Long term, high level focus

Can someone do both?

Good leaders and good managers are not often the same person, the few people that excel at both tend to be overwhelmingly successful in achieving their goals. Management and leadership skills are in some ways very opposite from one another, short vs. long term, big picture vs. detail oriented, etc. It can be very difficult for one to split their time between the two and excel at both. Often organizations that succeed have a mix of individuals, some who excel at leadership and some who excel at management.

While it’s good for anyone to clearly understand which they excel at more, being aware of the other characteristics is important. Just knowing what it takes to be a good leader can make you more aware of yourself even if you know you tend to be an excellent manager. Understanding the differences between leadership and management can ensure you see where you can improve and what else you should be thinking about, and not assume you are simply excellent at both. Ultimately this can make you both a better leader and a better manager.

Leadership Skills:

According to Hellriegel there are four kinds of leadership skills:
- Visionary skills: People are willing to follow leaders because of their visionary skills. They lead become committed to leader’s vision which involves values and goals and is, in itself, confidence giving.
- Communication skills: The visionary skill clearly provide leaders to have skill to communicate this compelling vision that evokes enthusiasm and commitment.
- Sensitivity skills: Effective leaders are both powerful and sensitive to the needs of others and so they allow their followers to share in developing goals and the satisfactions derived from reading these goals.
- Self-awareness skills: Effective leaders welcome feedback on their performance and continually take an inventory of themselves.

Formal and Informal Leaders:

Leaders exist in both formal and informal groups.
A formal leader is one who possesses organisational authority to direct and control the activities of subordinates. He issue orders and instructions to his subordinates by virtue of his formal authority in the organization. He is responsible and accountable to those who have elected him in a formal way.

Informal leaders are emerged but not appointed or elected. Informal leaders does not have formal authority but they have influence on the members of the group because followers believe that the leader can provide them satisfaction.

**Formal Vs. Informal Leaders**

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<th>Informal Leaders</th>
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<tr>
<td>Formal leadership is institutional</td>
<td>Informal leadership is personal</td>
</tr>
<tr>
<td>Formal leader is enable to identify himself with the aspirations of the group.</td>
<td>Informal leaders are more acceptable and influential to the employees.</td>
</tr>
<tr>
<td>Formal leaders fail to achieve voluntary cooperation of subordinates due to different work groups have different leaders for different purposes.</td>
<td>Informal leaders can achieve voluntary cooperation of the members in different work groups due to their social and cultural understanding environment.</td>
</tr>
<tr>
<td>Formal leaders find it difficult to build their industrial relations.</td>
<td>Informal leaders can build better industrial relations due to their influence on group members.</td>
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“Management is efficiency in climbing the ladder of success; leadership determines whether the ladder is leaning against the right wall”.
Behind every successful business decision, there is always a CMA
Learning Objectives:
In order to internalize the concepts of subjects like accountancy one has to have an understanding of the learning objectives of the chapters. Try to go through the Statement of Objects and Reasons issued for every topics as it would give you a background to your study.

SECTION: A
1. ACCOUNTING PROCESS

A) ACCOUNTING PRINCIPLES, CONCEPTS AND CONVENTIONS

INTRODUCTION

Accountancy is an art of recording. Definitely question arises – recording of what? The answer is transaction. The subject does not deal with anything which has got no connection with money. But just recording will not serve the purpose of the users of accounting. So it requires arrangement of such data in such a way so that it becomes user friendly. Technically this is termed as classifying. Again the classified data is condensed with specific heads. In this way the figures are reported to the end users. While doing so we have to keep in mind some conventions, rules and principles. In this issue we will discuss such principles and conventions. You have to keep in mind these are not law as such and are not legally recognized. To sum up it records both “received and receivables” are made (may be cash will be received later) the revenue is recognized as expense. On the other hand the moment the sales expense is incurred (may be cash will be paid later) it is recognized as expense. The moment the recognition of revenue and expenses. The moment the revenue is earned and the expenses are incurred to earn revenue. If it can earn more by spending less the matching will result a profit.

1. ENTITY CONCEPT

The basic idea of this concept is to identify the business and the businessman as separate. They have individual identity or entity in the eye of law. From the viewpoint of the businessman the business is considered to be a third party who provided fund to the business and is liable to repay such fund with the accumulation of profit by using such money in a profitable way.

Example: If Sujata starts a business named Sujata enterprise and introduces capital of Rs. 200000/- the entry in the books of Sujata enterprise will be:

Bank A/C …………………. Dr 2000000
To Capital A/c (Actually Sujata A/C) 2000000

This is so because Sujata is considered as a separate entity from the viewpoint of Sujata enterprise.

2. GOING CONCERN CONCEPT

As per this concept the existence or life of the business is considered to be infinite or long lived. That is to say the concept implies the business organization is formed to run for a long time and will not be discontinued immediately. This is the reason why the ledger balances are carried forward to the net period for such continuation.

3. MONEY MEASUREMENT CONCEPT

As we have already discussed in the introduction that accountancy is concerned with writing transactions only, i.e anything that is expressed in terms of money. As per this concept figures that can be expressed and measurable in terms of money are recorded.

4. DUAL ASPECT CONCEPT

Record of every transaction is complete only when it has two aspects- give and take. Anything received without consideration is a gift and not measurable in terms of money will not be recorded. For example good sold has two aspects: seller gives the final goods and receives money in exchange of such product. In this way every journal has two aspects.

5. PERIODICITY CONCEPT

Performance appraisal is always necessary for any business. This appraisal is done after an interval of period. This is called periodicity concept. For example accounts are closed normally after one year to know the profit earned. This is actually called accounting period. (in this example – one year)

6. MATCHING CONCEPT

The basic business equation is revenue minus expense is profit. The matching concept makes such comparison of expenses incurred to earn revenue. If it can earn more by spending less matching will result a profit.

7. ACCRUAL CONCEPT

It is otherwise known as revenue recognition concept. It implies the recognition of revenue and expenses. The moment the expense is incurred (may be cash will be paid later) it is recognized as expense. On the other hand the moment the sales are made (may be cash will be received later) the revenue is recognized. To sum up it records both “received and receivables”
and “paid and payables”.

8. **COST CONCEPT**
According to this concept an asset is recorded on cost basis i.e the purchase price. This is called historical cost.

**CONVENTIONS:**

1. **CONSERVATISM**

   Literally conservatism is a kind of pessimism. It always looks to the darker side of the things. In business if only the actual and possible expenses are recorded whereas only actual incomes only are recorded we are following this convention. That is here the anticipated incomes are not recorded. Therefore always the records show a darker picture and hence this convention is otherwise known as Doctrine of Prudence. To sum up it records only “Received” but records “Paid and Payables”.

2. **CONSISTENCY**

   As per the meaning of the term the principles that are once followed to record the transactions should not be changed. For example if straight line method of depreciation is followed should not be changed to WDV method in accounting period. Methods of accounting, methods of valuation once adopted should not be changed.

3. **MATERIALITY**

   Things which are of less important we call those as immaterial and neglect because they may not have such weight to influence. Similarly in Accountancy we record only material facts. Facts which seem to be negligible and having no weight to influence will not be recorded.

   For example, while taking stock in a big warehouse (generally where stocks are kept valuing Rs. 5 crores) if a pack of pin is missing(valuing Rs. 5/-) may be easily ignored and not to be noted.

4. **FULL DISCLOSURE**

   As per this convention financial records should disclose all relevant and material informations. The end users of accounting should not have any chance of raising doubt over the financial statements. Full disclosure will convince the reliability of the data. This will help the management also to make decisions.
Behind every successful business decision, there is always a CMA.

**Syllabus Structure**

- **A** Fundamentals of Commercial Laws 70%
- **B** Fundamentals of Ethics 30%

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**CA Partha Ray**
He can be reached at: prapray@rediffmail.com
The Maker of the Bill of Exchange is called the **Drawer** and the person who is directed to pay is called the **Drawee**. Here, the Payee must present the bill to the Drawee for his acceptance by signing on the bill and thereby signifying his acceptance. After Acceptance, the Drawee becomes the **Acceptor**.

The remaining question is - what is a **Cheque**?

A Cheque is a Bill of Exchange drawn upon a specified banker and payable on demand. A cheque can be either a Bearer Cheque or an Order cheque but in both cases, it is payable on demand. The Specified banker, named has to pay the cheque, when it is presented to him during official banking/office hours at his office. However, the cheque must be validly drawn and the Drawee must have sufficient funds to his credit in his bank account in ordered to be duly honoured for payment.

Now let us know the **difference between a Promissory Note and a Bill of Exchange**.

1. In a Promissory Note, there are 2 parties – the **Maker** and the **Payee**.
2. In a Bill of Exchange, there are 3 parties – The **Drawer**, the **Drawee** and the **Payee**.
3. In a Promissory Note, there is a **Promise to pay**.
4. In a Bill of Exchange, there is an **Order to pay**.
5. In a Promissory Note, no acceptance is required but it has to be signed by the person liable to pay.
6. A Bill of Exchange (barring exceptions) has to be accepted by the Drawee before it becomes binding on him.
7. **The maker** of a Promissory Note is Primarily liable on the instrument.
8. **The Drawer** of the Bill of Exchange is liable only when the Drawee does not accept the instrument or pay the money amount due.
9. In case of a Promissory Note, the **Notice of Dishonour to the Maker** is not required but a Notice of dishonor is required in case of a Bill of Exchange, when there is a non-payment or non-acceptance.

So, the next question is **What is a Notice of Dishonour?**

Please note that when there is a non-payment or non-acceptance of a Bill of Exchange, a notice has to be given to all the persons liable to pay, except the Drawee. Such a notice is called Notice of Dishonour.

At this stage, let us understand the **difference between Bill of Exchange and Cheque**:

1. A Cheque is a bill of exchange but it can be drawn only upon a bank.
2. A Bill of Exchange can be drawn upon any person including a bank. Every Bill of Exchange is not a cheque.
3. A Bill of Exchange required acceptance, except under certain circumstances. (The exceptions are – 1. The Bill of Exchange have already been protested because of

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**Learning Objectives:**

- Read the Study Material minutely.
- For details or if you don't understand Study Material or the section is important to identify the topic, then refer to Bare Act, otherwise reference to Bare Act is not necessary. For Company Law, book by Avtar Singh is recommended. For other laws Institute Study Material is sufficient.
- The words used in any of the texts as mentioned above should be understood by immediate reference to the Dictionary.
- The main points coming out in any of the provisions should be either underlined or written in separate copy which has to be repeated again and again.
- Theoretical knowledge should be adequate and clear before solving practical problems.
- Don't write wrong English. It changes the meaning and therefore answer may be wrong even when the student's conception is clear. Also don't make spelling mistakes.
Behind every successful business decision, there is always a CMA non-acceptance; and 2. The presentation of the bill is barred by obstacles caused by superior force without human intervention such as earthquake, tornadoes, hurricane and acts of God.

4. A cheque is always payable on demand
5. A Bill of Exchange may be either payable on demand or after a period of time.
6. The acceptor of a bill of exchange is allowed 3 days of grace to make the payment, after the maturity of the bill
7. The Banker is not allowed any days of grace after being presented for payment
8. The Drawer of the bill is discharged from liability if the bill is not presented to the acceptor for payment at the due time.
9. The drawer of a cheque is discharged from liability only if he suffers damage due to delay in presenting the cheque for payment.
10. A banker does not have to give a Notice of Dishonour to the drawer to make him liable to compensate the Payee, if the banker fails to pay a cheque.
11. In case of Bills of Exchange, it is necessary to give Notice of Dishonour to the drawer, except in special cases.
12. A cheque may be crossed but there is no provision to cross a Bill.
13. The payment of cheque may be countermanded by the drawer. (Countermand means—to reverse, revoke, repeal, retract, rescind, withdraw, quash, scrap, over-rule, cancel, negate an order.)
14. The payment of a bill of Exchange cannot be countermanded.
15. A Cheque does not require any stamp
16. A Bill of Exchange must be stamped.

As said above, In case of Bills of Exchange, it is necessary to give Notice of Dishonour to the drawer, except in special cases given below:

No Notice of Dishonour is required when—

1. It is dispensed with by the party entitled thereto;
2. In the Order to change the Drawer, when he has countermanded payment (countermand means—to reverse, revoke, repeal, retract, rescind, withdraw, quash, scrap, over-rule, cancel, negate an order);
3. When the party charged could not suffer damages for want of notice;
4. When the party entitled to notice, cannot be found;
5. When the acceptor is also a Drawer
6. When the promissory note is not negotiable;
7. When the party entitled to notice, after knowing the facts, promises unconditionally to pay the amount due on the instrument.

Now, let us discuss about— Crossing— Meaning, Definition and Type of Crossing.

Crossing—Is done on a cheque, by putting two parallel lines across the face of the cheque leaf. There can be two types of cheques—1. Open Cheque; 2. Crossed Cheque.

An Open Cheque is one which can be presented across the counter for encashment.

A Crossed Cheque is one which has to be presented to the bank through another banker. Here, there are two types of Crossing—General Crossing and Special Crossing.

In case of General Crossing, the cheque can be presented to the bank through any banker. However, in case of Special Crossing, the name of the bank is written between the parallel lines and therefore that cheque has to be presented for encashment only through the bank named between the parallel lines.

A Special Crossing cheque is sometimes crossed—Account Payee. In such cases the words “Account Payee” is written in between the parallel lines drawn across the face of the cheque leaf. Here, the Drawer clearly directs the paying bank to pay to a particular person only and credit the amount to the bank account of the payee. In such cases, the cheques become non-transferable.

In a Special Crossing Cheque, the banker’s name and payee’s name is sometimes mentioned on the cheque. Since the bankers have full Know Your Customer (KYC) details of every customer’s viz. name, verified address and signature, any forgery can now be detected.

Special Crossing helps in preventing fraudulent transactions and makes misappropriation difficult.
Behind every successful business decision, there is always a CMA.
Learning Objectives:

- The central objective of Statistics is to equip students with consequently requisite quantitative skills that they can employ and build on in flexible ways.
- Statistics help to design data collection plans, analyze data appropriately and interpret and draw conclusions from those analyses.
- To provide students with the idea of statistical calculations which promotes the efficient functioning of commerce and industry.

Fundamentals of Business Mathematics and Statistics

In this issue we will discuss on Dispersion. Follow the diagrammatic representation of two frequency distribution A and B. Both has same central tendency (mean) located as shown at A and B. But a close observation of the diagram indicates that individual values fall away from the central value (A and B) in different way. Curves have different variability.

The measure of this variability of individual items with respect to central tendency is called DISPERSION

Why knowledge on Dispersion is Important?

- It gives additional information on the data and enables us to judge the reliability of our measure of central tendency. If individual items are widely spread with respect to central tendency measured (mean/median/mode) are less representative of the distribution as a whole;
- There are problems peculiar to wide spread data items. So dispersion facilitates us to locate those data before tackling those peculiar problems;
- On many occasions we require comparison of various samples of distribution in order to eliminate widely fluctuated data with an ultimate objective to mitigate risks. More fluctuation means more risks. We need help of dispersion on those occasions;

Q1. A firm using two different methods to ship orders to its customers found the following distributions of delivery time for the two methods, based on past records. From available evidence, which shipment method you recommend?

Answer: A is more preferable as B has wider fluctuation

Q2. For which one of the following distributions is the mean more representative of the data as a whole? Why?
Behind every successful business decision, there is always a CMA.

Q3.

To measure scholastic achievement, educators need to test students' levels of knowledge and ability. Taking students' individual differences into account, teachers’ can plan their curricula better for betterment of students. The curves P and Q below represent distributions on two subjects based on previous scores of two different tests. Which subject you would select which need more consideration by teachers' for students' better performance?

Answer: Q is more preferable as it has wider fluctuation which means more varied performance in the subject.

Q4.

Which one of the following is not one of the reasons for measuring the dispersion of a distribution?

a) It provides an indication of the reliability of the central tendency measure;
b) It enables us to compare several samples with similar averages;
c) It uses more data in describing a distribution;
d) It draws attention to problems associated with very small or very large variability in distributions;

Answer: (c)

Q5.

Of the three curves shown below choose one that would best describe the distribution of values for the ages of the following groups: Members of parliament, newly elected Cabinet Ministers and Chairmen of major parliamentary committees. In making your choices, disregard the common mean of the curves and consider only the variability of the distributions. Briefly state your reasons for your choices.
Answer:
Members of parliament: more no of members, more variation in ages, represented by Z;
Newly elected Cabinet Ministers: less no of members, less variation in ages compared to members of parliament, represented by Y;
Chairmen of major parliamentary committees: less no of members compared to newly elected Cabinet Ministers so less variation in ages compared to 2nd group, represented by X;

Q6.
How do you think the concept of variability might apply to an investigation by the Indian Cost Bureau into possible price fixing by a group of manufacturers with the help of following figure?

Answer: There are many ways that the concept may be involved. Certainly the Indian Cost Bureau would examine the price variability for the industry and compare the result to that of the suspect companies. In the given figure I represents Industry whereas M represents the suspect manufacturers. It is observed that variability of the manufacturers are less than that of industry. It could be taken as evidence of unethical price fixation by some manufacturers.

Further the bureau might examine price distributions for similar products, for the same products in a city, or for the same products in different cities. If the variability is significantly different in any of these cases, these result might constitute evidence of a conspiracy to set prices at the same levels.

So DISPERSION is the degree of the scatter or variation of the variables about a central value.
01.00 Set the Goals for the Change …

Close your eyes for a moment and imagine that you’ve just checked your lottery ticket and you have the winning numbers. It is a jackpot of Rs. 100 crore. I bet you didn’t think that you’d become a multi-millionaire. But seriously, after you get over the initial shock, you realize that your life is about to change forever.

Are you still sitting down? You should be jumping up and down with excitement by now. So how will you change your life from today?

You’ve got all the money you need to make things happen in your life: So write down how your life is going to start changing from today. Set the Goals for the change and focus on an action.

02.00 Smile & Get want you want …

Smile is an exclusive gift bestowed to human beings. Smiling not only improves your mood, but also influences the way others assess your personality. No doubt, - a smile can get you what you want! Even if you don’t feel like smiling, do it and the rest will follow. People who are confident do not hide their faces. They stand straight, look up, and smile!

Here are some big tips for smiling:

- Allow your smile to reach your eyes. This is most appealing to others, and definitely more genuine. People trust open people. Trust from others is great for your self-confidence.
- Make eye contact when you smile. Look at the person and let them know you are smiling at them, and not just randomly at something you remembered inside your head. Make that human to human contact. Making someone else smile is a pleasant way to build confidence.
- Make sure your lips are well taken care of.
- Take care of your teeth by brushing them at least twice a day. Floss and clean your tongue too. A nice, fresh, clean mouth can make us more confident to smile. When certain things in life do not come readily to you don’t be afraid to use aides to make the journey easier.

Remember to smile and make things easier on yourself and others. None of us can resist a smiling face! This confidence building activity is a relatively easy one. It builds you up by influencing the way others view you. But not only this, it makes you feel good too. It’s a win – win situation all the way.

03.00 Map & Tap your Career …

Career planning is not an activity that should be done once — in high school or college — and then left behind as we move forward in our jobs and careers. Rather, career planning is an activity that is best done on a regular basis — especially given the data that the average employee tends to change careers multiple times over his or her lifetime. So, it is never too soon or too late to start your career planning. Career planning is not a hard activity, not something to be dreaded or put off, but rather an activity that should be liberating and fulfilling, providing goals to achieve in your careers and job opportunities.

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1. Make Career Planning an Annual Event. Many of us have physicals, visit the eye doctor and dentist, and do a myriad of other things on an annual basis, so why not career planning? Find a day or weekend once a year — more often if you feel the need or if you’re planning a major career change — and schedule a retreat for yourself. By making career planning an annual event, you will be better prepared for the many uncertainties and difficulties that lie ahead in all of our jobs and career.

2. Map Your Path Since Last Career Planning. One of your first activities whenever you take on career planning is spending time mapping out your job and career path since the last time you did any sort of career planning. Once you’ve mapped your past, take the time to reflect on your course — and note why it looks the way it does. Are you happy with your path? Could you have done things better? What might you have done differently? What can you do differently in the future?

3. Look Beyond Your Current Job for Transferable Skills. Some employees get so wrapped up in their job titles that they do not see any other career possibilities for themselves. Every job requires a certain set of skills, and it is much better to categorize yourself in terms of these skill sets than be so myopic as to focus just on job titles. For example, one job-seeker who was trying to accomplish career planning found herself stuck because she identified herself as a reporter. But once she looked beyond her job title, she could see that she had this strong collection of transferable skills — such as writing, editing, researching, investigating, interviewing, juggling multiple tasks, meeting goals and deadlines, and managing time and information — skills that could easily be applied to a wide variety of jobs in many different careers.

4. Review Career and Job Trends. Having information about career trends is vital to long-term career planning success. A career path that is expanding today could easily shrink tomorrow — or next year. It is important to see where job growth is expected, especially in the career fields that most interest you.

5. Explore New Education/Training Opportunities. Never pass up chances to learn and grow more as a person and as an employee; part of
career planning is going beyond passive acceptance of training opportunities to finding new ones that will help enhance or further your career. Take the time to contemplate what types of educational experiences will help you achieve your career goals. Look within your company, your professional association, your local universities and community colleges, as well as online distance learning programs, to find potential career-enhancing opportunities — and then find a way achieve them.

Don’t wait too long between career planning sessions. Career planning can have multiple benefits, from goal-setting to career change, to a more successful life. Once you begin regularly reviewing and planning your career using the above tips, you’ll find yourself better prepared for whatever lies ahead in your career — and in your life.

**04.00 Quick Take**

Close your eyes; Set the Goal for the Change; Smile with Confidence; Map, Tap and Takeover your Career!

**Resources**

1. Confidence Building Activities; www.getconfidence.net; 06.06.2017
2. 5 Fun Goal Setting Activities; www.relaxfocusenjoy.com; 06.06.2017
3. 10 Tips for Successful Career Planning; An Activity for Job-Seekers of All Ages; www.livecareer.com; 06.06.2017
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<td>Thursday, 14th June, 2018</td>
<td>Fundamentals of Business Mathematics &amp; Statistics (FBMS)</td>
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ABOUT YOUR STUDIES - FOUNDATION COURSE

Practical support, information and advice to help you get the most out of your studies.

Read Study Notes MTPs

Solve Exercises given in Study Note

Assess Yourself

Appear For Examination

Behind every successful business decision, there is always a CMA
Dear Students,

We are very much delighted to receive responses from all of you; for whom our effort is!

We have noted your queries and your requests will definitely be carried out. Further, requesting you to go through the current edition of the bulletin. All the areas will be covered gradually. Expecting your responses further to serve you better as we believe that there is no end of excellence! One of the mails received is acknowledged below.

Please put your opinions so that we can make your e-bulletin everything that you want it to be.

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Send your Feedback to:
e-mail: studies.ebulletin@icmai.in
website: http://www.icmai.in

Submission

Updation of E-Mail Address/Mobile:

Students are advised to update their E-Mail id and Mobile Numbers timely so that important communications are not missed as the same are sent through bulk mail/SMS nowadays. Student may update their E-Mail id/ Mobile Number instantly after logging into their account at www.icmai.in at request option.
Dear Students,

We have stepped into 2018 and with new enthusiasm for the future to come, it is also a time to reflect on the year gone by and the beautiful moments shared with all. Express your gratitude and spare your thoughts for all who have supported you and remember to make a new year resolution to do much better in every sphere of your life.

‘Learn from yesterday, Live for today, Hope for tomorrow’

For the smooth and flawless preparation. Directorate of Studies have provided meaningful tips which will help you to gain sufficient knowledge about each subject. “Tips” are given in this E-bulletin by the knowledge experts for the smooth encouragement in you preparation. We are sure that all students will definitely be benefitted by those tips and that will help them to brush up their knowledge and also to swim across.

Take the course seriously from the very beginning but don’t be panicky. Please try to follow the general guidelines, mentioned below; which may help you in your preparation.

**Essentials for Preparation:**

- Conceptual understanding & Overall understanding of the subject both should be clear.
- Candidates are advised to go through the study material provided by the Institute in an analytical manner.
- Students Should improve basic understanding of the subject with focus on core concepts.
- The Candidates are expected to give to the point answer, which is a basic pre-requisite for any professional examination.
- To strengthen the answers candidates are advised to give answer precisely and in a structured manner.
- In-depth knowledge about specific terms required.
- Write question numbers correctly and prominently.
- Proper time management is also important while answering.

Please refer the links mentioned below:

For Mock Test Papers (MTP) : [http://icmai.in/studentswebsite/mtp2016_j18_fnd.php](http://icmai.in/studentswebsite/mtp2016_j18_fnd.php)

For PPT on “Achieve your GOAL : [http://icmai.in/studentswebsite](http://icmai.in/studentswebsite)

**Wishing you all BEST OF LUCK in your forthcoming Examination.**

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Although due care and diligence have been taken in preparation and uploading this E-bulletin, the Institute shall not be responsible for any loss or damage, resulting from any action taken on the basis of the contents of this E-bulletin.
Behind every successful business decision, there is always a CMA.
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