

MIZORAM PUBLIC SERVICE COMMISSION

TECHNICAL COMPETITIVE EXAMINATIONS FOR RECRUITMENT TO THE POST OF JUNIOR GRADE OF MIZORAM PLANNING, ECONOMICS & STATISTICAL SERVICE OCTOBER, 2015

COMMERCE PAPER – I

Time Allowed : 3 hours

Full Marks : 100

Figures in the margin indicate full marks for the questions.

PART – A

Attempt all questions.

1. Fill in the blanks: (10×1 = 10)

- (a) Management is basically a study of managerial experiences and can be taught best by case method is _____ Approach.
- (b) The concept of hierarchy of needs is framed by a famous social scientist named _____.
- (c) The improvement in _____ raises total factor productivity of a firm and reduces unit cost of output.
- (d) Financial Statements are _____.
- (e) If one of the events cannot be expected to occur in preference of the other, it is said that the two events are _____.
- (f) _____ method is the cheapest method of collecting primary data.
- (g) Entrepreneurship promotes _____ formation by mobilising the idle saving of the public.
- (h) Fifth P of marketing mix is _____.
- (i) _____ is the distribution of profits of a company among its shareholders.
- (j) Idle time variance is Idle time × _____.

2. State whether the following statements are True or False : (10×1 = 10)

- (a) The members of the organisation are decision-makers and problem solvers is one of the features of Decision Theory Approach.
- (b) In an organisation, the informal channel of communication is also known as grapevine.
- (c) MRTP denotes Monopolistic and Restrictive Trade Practices.
- (d) Standard costing helps in Controlling prices.
- (e) Budgetary control is a system of controlling costs
- (f) If two items are to be assigned equal ranks, rank method of correlation coefficient cannot be used.

- (g) Lack of trained personnel may give rise to sampling errors.
- (h) An economy is the effect for which entrepreneurship is the cause.
- (i) Functions of management and functions of marketing are not different.
- (j) The cost of capital is the minimum rate of return expected by its investors .

PART – B

Attempt all questions.

3. Write short notes on the following: (10×2=20)

- (a) Implications of Hawthorne experiments
- (b) Transactional and transformational leadership
- (c) Steps of QUEST (Quick Environmental Scanning Technique)
- (d) Environmental Threat and Opportunity Profile (ETOP)
- (e) Characteristics of good budgeting
- (f) The law of inertia of large number
- (g) Leibenstein's X-efficiency theory
- (h) Expectancy-value model
- (i) A zero-level channel of marketing
- (j) Limitations of trading on equity

PART – C

Attempt any 6 (six) questions.

- 4. How will you classify the levels of management? Briefly describe the functions of Board of Directors in the management of an organisation. (3+7=10)**
- 5. What is the concept of motivation? How does it affect behaviour? What happens when a person is not able to satisfy his needs? (4+3+3=10)**
- 6. What is business environment? Do you believe that political stability leads to business development and vice versa? Discuss. (4+6=10)**
- 7. What is responsibility accounting? What are the fundamental aspects of responsibility accounting? (2+8=10)**

8. The following data relate to a manufacturing company :

	<i>Total Sales (Rs.)</i>	<i>Total Cost (Rs.)</i>
Year ended 31 st December, 2013	6,66,900	5,95,080
Year ended 31 st December, 2014	7,35,300	6,42,960

Assuming stability in prices, with variable costs carefully controlled to reflect predetermined relationships, and an unvarying figure for fixed costs, calculate :

- (a) Profit/Volume Ratio
 - (b) Fixed Cost
 - (c) Percentage of Fixed cost to Sales
 - (d) Break-even point
 - (e) Margin of Safety for the year 2013 and 2014. (5×2=10)
9. Discuss in brief the various methods of collecting Primary data. What are the sources of Secondary data? (5+5=10)
10. From the following data construct a price index number of the group of four commodities using the appropriate formula : (10)

Commodity	Base Year		Current Year	
	<i>Price per unit</i>	<i>Expenditure</i>	<i>Price per unit</i>	<i>Expenditure</i>
	<i>Rs</i>	<i>Rs</i>	<i>Rs</i>	<i>Rs</i>
A	2	40	5	75
B	4	16	8	40
C	1	10	2	24
D	5	25	10	60

11. Explain the conditions of Women Entrepreneurs in Mizoram. What are the policies and programmes taken up for the development of Women Entrepreneurs in the State? (5+5=10)
12. What is meant by distribution channel? Discuss the different types of distribution channels with their suitability to move products from the place of production to the place of consumption. (3+7=10)
13. What is cost of capital? What are the factors affecting the cost of capital of a firm? (3+7=10)

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