

MBAC 1001

M.B.A. DEGREE EXAMINATION, JUNE 2017.

First Semester

General

MANAGEMENT CONCEPTS AND ORGANIZATIONAL BEHAVIOR

Time : Three hours Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

1. What are the social responsibilities of a business?
2. What is motivation? Discuss its types.
3. Define group dynamics. How it can be inculcated?
4. Explain the concept of management of innovation.
5. What is benchmarking?
6. Define organizational culture.
7. Explain management of diversity.
8. Define the term leadership.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

9. What is MBO? State its principles and process.
10. Explain the functions of management.
11. Briefly trace the different approaches and models of OB.
12. Describe in some detail the determinants of your own personality, giving specific examples.
13. Explain the process of stress management.
14. Explain various elements of OD.
15. Why is upward communication necessary and how can we improve it?
16. Explain the concept of "Entrepreneurial management".

when he realized that drinking and worrying about the next day at work while sitting at home with the baby at night had become a pattern.

Case Questions :

- (a) What signs of stress was Larry Field exhibiting?
- (b) How was Larry Field trying to cope with his stress? Can you suggest more effective methods?

PART C — (20 marks)

Compulsory Case Study.

17. *Stress Takes Its Toll*

Larry Field had a lot of fun in high school. He was a fairly good student, especially in math, he worked harder than most of his friends, and somehow he ended up going steady with Alice Shiffette, class valedictorian. He worked summers for a local surveyor, William Loude, and when he graduated Mr. Loude offered him a job as number-three man on one of his survey crews. The pay wasn't very high, but Larry already was good at the work, and he believed all he needed was a steady job to boost his confidence to ask Alice to marry him. Once he did, events unfolded rapidly. He started work in June, he and Alice were married in October, Alice took a job as a secretary in a local company that made business forms, and a year later they had their first child.

The baby came as something of a shock to Larry. He had come to enjoy the independence his own paycheck gave him every week. Food and rent took up most of it, but he still enjoyed playing basketball a few nights a week with his high school buddies and spending Sunday afternoons

on the softball field. When the baby came, however, Larry's brow began to furrow a bit. He was only 20 years old, and he still wasn't making much money. He asked Mr. Loude for a raise and got it—his first.

Two months later, one of the crew chiefs quit just when Mr. Loude's crews had more work than they could handle. Mr. Loude hated to turn down work, so he made Larry Field a crew chief, giving his crew some of the old instruments that weren't good enough for the precision work of the top crews, and assigned him the easy title surveys in town. Because it meant a jump in salary, Larry had no choice but to accept the crew chief position. But it scared him. He had never been very ambitious or curious, so he'd paid little attention to the training of his former crew chief. He knew how to run the instruments — the basics, anyway — but every morning he woke up terrified that he would be sent on a job he couldn't handle.

During his first few months as a crew chief, Larry began doing things that his wife thought he had outgrown. He frequently talked so fast that he would stumble over his own words, stammer, turned in the face, and have to start all over again. He began smoking, too, something he had not done since they had started dating. He told his two crew members that smoking kept his hands

from shaking when he was working on an instrument. Neither of them smoked, and when Larry began lighting up in the truck while they were waiting for the rain to stop, they would become resentful and complain that he had no right to ruin their lungs too.

Larry found it particularly hard to adjust to being "boss," especially since one of his workers was getting an engineering degree at night school and both crew members were the same age as he. He felt sure that Alfonso Reyes, the scholar, would take over his position in no time. He kept feeling that Alfonso was looking over his shoulder and began snapping any time they worked close together.

Things were getting tense at home, too. Alice had to give up her full-time day job to take care of the baby, so she had started working nights. They hardly ever saw each other, and it seemed as though her only topic of conversation was how they should move to California or Alaska, where she had heard that surveyors were paid five times what Larry made. Larry knew his wife was dissatisfied with her work and believed her intelligence was being wasted, but he didn't know what he could do about it. He was disconcerted

MBAC 1002

M.B.A. DEGREE EXAMINATION, JUNE 2017.

First Semester

General

MANAGERIAL ECONOMICS

Time : Three hours Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

1. Briefly explain the nature of Managerial Economics.
2. Briefly explain exceptions to downward sloping of demand curve.
3. Explain the Cobb Douglas Production function.
4. If 10,000 units are sold at Rs. 10 per unit, incurring variable cost of Rs. 6 per unit and fixed cost of Rs. 20,000, what shall be the BEP?
5. Distinguish between Perfect competition and Monopoly.
6. Briefly explain the different types of unemployment.

7. Bring out the difficulties involved in measuring National Income.

8. Discuss the pros and cons of India's huge population.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

9. Explain the different objectives of a firm.

10. Illustrate the implications of elasticity of demand in business decision-making.

11. Explain the major issues confronting a manager and how managerial economics can come to his rescue in tackling these issues.

12. Explain the determinants of cost.

13. What do you mean by price discrimination? Explain the objectives of price discrimination.

14. Explain the law of diminishing returns to scale with examples and suitable diagram.

15. Explain the different types of monopolies.

16. Explain the different types of risks and uncertainties and how they can be managed.

17. Case study :

PART C — (20 marks)
Compulsory.

India had the distinction of being the world's largest economy in the beginning of Christian era, accounting for about 32.9% share of world GDP and about 17% of the world population. However, India's share in foreign trade hovered around the one percent mark during most part of 20th century while the current share is 2.7%. FDI averaged only around \$200 Million annually during 1985-91. Balance of payments have largely been negative during this period and FDI accounted for merely 0.1% of GDP while it rose to 2% during the 21st century. Indian exports could cover only 66.2% of imports as on 1990-91. India's balance of payments has taken a positive turn since 1996. FDI in India has reached 2% of GDP, compared with 0.1% in 1990. India's remittances during 1991 stood at \$0.1 billion while it reached \$25.7 billion.

Attempt an analytical explanation of the above facts and figures highlighting the benefits accruing to India due to the LPG policy implemented during 1991. Also, provide your arguments against LPG policy by highlighting the negative points associated with the policy.

PART C — (1 × 20 = 20 marks)

Compulsory

17. Nijan company and Nandhu Company under the same management. These company's details are as under:

| | Nijan Company | Nandhu Company |
|---------------|---------------|----------------|
| Sales | Rs. 3,00,000 | Rs. 3,00,000 |
| Less: | | |
| Variable cost | 2,40,000 | 2,00,000 |
| Fixed cost | 30,000 | 70,000 |
| Profit | 30,000 | 30,000 |

You are required to :

- Calculate the break- even points for each company
- Calculate the sales volume at which each of the two companies will make a profit of Rs.10,000.
- State which company is likely to earn greater profits in condition of :
 - Heavy demand for the product and
 - Low demand for the product. (Answers should support with reasons).

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M.B.A. DEGREE EXAMINATION, JUNE 2017.

First Semester

General/Marketing (Lateral Entry)

Paper III — ACCOUNTING FOR MANAGERS

Time : Three hours Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

- What is meant by Accountancy? What are the advantages of double entry system of book keeping?
- What is meant by depreciation? State its objectives and various methods of computation of depreciation.
- What are the differences between fund flow and cash flow statement?
- Journalise the following transactions.

| Date | Transactions | Amount Rs. |
|-----------|-------------------------------|---------------|
| January 1 | Prabu started a business with | 10,000 |
| | 4 Bought goods from Krishna | 6,750 |

| Date | Transactions | Amount Rs. |
|------|---------------------------|---------------|
| 7 | Cash purchase | 3,000 |
| 10 | Cash sales | 4,000 |
| 13 | Bought goods from Krishna | 2,000 |
| 16 | Sold goods to Magila | 5,000 |
| 18 | Paid cash to Krishna | 2,850 |
| 19 | Sold goods to Magila | 500 |
| 24 | Paid Krishna on account | 2,400 |
| 26 | Received cash from Magila | 1,650 |
| 27 | Paid salaries | 1,250 |
| 30 | Received cash from Magila | 200 |

5. A machine purchase on 1st July 2005 at a cost of Rs.14,000 and Rs.1,000 was spent on its installation. The depreciation is charged at 10% on the straight line method. The books are closed on 31st December every year. The machine was sold for Rs.9,500 on 31st March 2008. Show the Machinery account.

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15. From the following information of The Magila Corporation Ltd., you are required to find out PV ratio, BEP and Margin of safety.

| | |
|----------------|----------------|
| Sales in units | 15,000 |
| Fixed expenses | Rs. 34,000 |
| Sales value | Rs. 1,50,00 |
| Variable costs | Rs. 6 per unit |

Also calculate the revised PV ratio, BEP and Margin of safety in each of the following each of the case.

- (a) Decrease of 10% Selling price,
 (b) Increase of 10% variable cost
 (c) Increase of sales volume by 2,000 units,
 (d) Increase of Rs. 6,000 in fixed cost.

16. Calculate labour cost variance, labour rate variance and labour efficiency variance.

| | |
|-------------------|-------------|
| Standard time | 3,900 hours |
| Actual time taken | 4,025 hours |
| Standard wages | Rs. 7,800 |
| Actual wages paid | Rs. 8,055 |

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13. From the following information, calculate Gross profit ratio, Net profit ratio, Operating ratio, Operating profit ratio and Current ratio.

| | Rs. |
|--------------------|----------|
| Cash in hand | 20,000 |
| Debtors | 20,000 |
| Creditors | 10,000 |
| Gross profit | 2,01,000 |
| Net sales | 5,60,000 |
| Net profit | 80,000 |
| Cost of goods sold | 3,59,000 |
| Operating expenses | 1,09,000 |

14. From the following Balance Sheet of Muthu, prepare a fund flow statement.

| Liabilities | 2013 | 2014 | Assets | 2013 | 2014 |
|----------------------|-----------------|-----------------|-----------|-------------------|------------------|
| | Rs. | Rs. | | Rs. | Rs. |
| Capital | 63,000 | 1,00,000 | Cash | 15,000 | 20,000 |
| Long term borrowings | 50,000 | 60,000 | Debtors | 30,000 | 28,000 |
| Trade creditors | 42,000 | 39,000 | Stock | 55,000 | 72,000 |
| Bank overdraft | 35,000 | 25,000 | Buildings | 80,000 | 1,00,000 |
| Outstanding expenses | 5,000 | 6,000 | Furniture | 15,000 | 10,000 |
| | <u>1,95,000</u> | <u>2,30,000</u> | | <u>1,95,000</u> | <u>2,30,000</u> |
| | | 6 | | <u>MBAC 1003/</u> | <u>MBLC 1001</u> |

6. From the following profit and loss account, compute the funds from operation.

| | Rs. | Rs. | |
|-------------------------|---------------|-----------------|---------------|
| To Salaries | 5,000 | By Gross profit | 1,000 |
| To Rent | 2,000 | By Discount | 5,000 |
| To Depreciation | 1,000 | By Interest on | |
| To Preliminary expenses | 2,000 | Investment | 4,000 |
| To Loss on sale of land | <u>5,000</u> | By Net loss | <u>5,000</u> |
| Total | <u>15,000</u> | | <u>15,000</u> |

7. From the following information, find out P/V ratio, Fixed costs, Break-even point and Margin of safety at a profit of Rs.24,000.

| Year | 2013 | 2014 |
|--------|--------------|----------|
| Sale | Rs. 2,70,000 | 3,00,000 |
| Profit | Rs. 6,000 | 15,000 |

8. From the following particulars, prepare a cost sheet.

| | Rs. |
|---------------------------------|-------------------|
| Opening stock of finished goods | 9,750 |
| Closing stock of finished goods | 11,100 |
| Raw materials purchased | 36,100 |
| Direct wages | 18,450 |
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| | Rs. |
|------------------|--------|
| Factory expenses | 2,750 |
| Selling expenses | 2,450 |
| Office expenses | 1,850 |
| Sales | 75,000 |
| Sale of scrap | 250 |

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

9. Explain various accounting concepts and conventions.
10. Explain the merits and de-merits of ratio analysis.
11. Explain the merits and de-merits of Marginal costing.
12. From the following Trial balance of Mr. Sevugan, prepare Trading, Profit and Loss account for the year ended 31st March, 2015 and balance sheet as on that date.

| Debit | Rs. | Credit | Rs. |
|--------------|--------|---------|--------|
| Cash at bank | 3,400 | Capital | 40,000 |
| Cash in hand | 14,000 | Sales | 32,000 |

| Debit | Rs. | Credit | Rs. |
|-------------------|---------------|-----------|---------------|
| Drawings | 7,000 | Sundry | 9,000 |
| Purchases | 4,000 | creditors | 2,000 |
| Wages | 2,000 | | |
| Stock (on 1.4.14) | 12,000 | | |
| Buildings | 20,000 | | |
| Sundry debtors | 8,800 | | |
| Bills receivable | 5,800 | | |
| Rent | 900 | | |
| Commission | 500 | | |
| General expenses | 1,600 | | |
| Furniture | 1,000 | | |
| Total | <u>81,000</u> | | <u>81,000</u> |

Adjustments :

- (a) Closing stock Rs.8,000
- (b) Wages outstanding Rs.200
- (c) Rent prepaid Rs.200
- (d) Depreciate Furniture and Buildings by 10%.

Tesco's business has grown during a period of unprecedented change in the retail sector. From a one-man market stall to a small chain of conventional stores during the first half of the twentieth century, Tesco adopted the self-service and supermarket formats during the 1960s and 1970s, followed by a succession of takeovers and new stores as the food market became dominated by the large supermarket chains in the 1980s and 1990s. By 1995, Tesco had become the UK retail grocery market leader. The company's international expansion was clearly a response to international developments such as the end of communism in Central and Eastern Europe, the rapid expansion of Asia's tiger economies, and the opening up of China. On the other hand, the world's more mature markets in Western Europe and North America have proved difficult to penetrate and time will tell whether the company's US ventures will turn out to be successful. Whilst there has been some concern over the company's dominant position in the UK and some of its other markets, Tesco is nevertheless regarded as one of the UK's most successful companies. Strong financial performance and opportunities for further diversification of product offering and international expansion suggest that the company's growth trajectory is likely to continue".

PART C—(1 × 20 = 20 marks)

(Compulsory)

17. Case Study:

Tesco's founder, Jack Cohen, started the business as a market trader in the East End of London in 1919 and opened his first Tesco shop in 1929. From these humble beginnings Tesco has now become the UK market leader with a market share in the UK grocery market of 30.4 per cent in March 2009. Tesco was also the third largest retailer in the world measured by annual sales in 2008, though at \$95 billion it was still considerably smaller than the world's largest retailer, Wal-Mart Stores, with sales of \$379 billion. Wal-Mart is also the owner of Tesco's nearest UK rival, Asda, which had a market share of 17.5 per cent, closely followed by Sainsbury at 16.1 per cent and Morrison at 11.8 per cent. Although well ahead of its competitors in terms of UK market share and profitability, Tesco's three

main rivals became more equally balanced after Morrison's takeover of Safeway in 2003. The UK market also contains a number of smaller supermarket chains, including continental European discounters such as Aldi, Netto and Lidl. Opportunities for further expansion in the UK market are now limited to some extent by competition policy rules and planning restrictions.

Tesco has pursued a strategy of rapid growth in the UK for a number of years, with considerable success. Its recent growth strategy has included organic growth through the opening of new stores, a move into smaller convenience stores, increasing emphasis on non-food sales such as clothing and electronic goods, the development of personal finance and telecommunication services and the launch of its internet business. From its origins as a discounter, Tesco has moved up market in terms of its product and service quality, though it retains a wide customer base through its low-price policy.

Like many UK retailers, Tesco was relatively slow to go international. Despite the company's long history, it was only in the 1990s that Tesco started to venture abroad, initially to Ireland and continental Europe, then to Asia and more recently to the United States. One of the company's early international ventures was its acquisition of the northern French chain, Cateau, but Tesco soon pulled out of France after facing stiff competition in the mature French market. Its main European operations outside the UK are now in Ireland and four of the Central European countries, the Czech Republic, Poland, Hungary, and Slovakia. Tesco also has stores in China, Japan, Malaysia, South Korea, Thailand, and Turkey. Its international expansion has often involved the acquisition of an existing retail chain, followed by the opening of new stores. The company's expansion to the United States has been more cautious. The experience of other UK retailers, such as Marks and Spencer and Dixons, may have discouraged Tesco from early US market entry. Despite the familiar language and culture, the US market is highly competitive and US customers are very demanding. Tesco extended its internet business to United States in 2001 and opened its first 'Fresh and Easy' convenience stores there in 2007. Although it is now clearly a multinational business, over 70 percent of the company's sales still came from its UK operation in 2008.

MBAC 1005/MBLC 1002

M.B.A. DEGREE EXAMINATION, JUNE 2017.

First Semester

Marketing

General/(Lateral Entry)

RESEARCH METHODOLOGY

Time : Three hours Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

1. Define exploratory and descriptive research.
2. When is secondary data better than primary data?
3. Mention the characteristics of a good research report.
4. Why should research be scientifically done?
5. Define multiple regression analysis.
6. What do you mean by stratified random sampling?
7. Enumerate the criteria for a good research.
8. Explain null hypothesis and alternative hypothesis.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions out of the following.

9. What are the steps involved in the formation of research problem?
10. List out the advantages and disadvantages of closed ended questions.
11. Enumerate the properties of normal and binomial distribution.
12. Explain the steps involved in case study research.
13. Distinguish between Type I and Type II errors with possible examples.
14. What is Chi-Square test? Explain its significance in statistical analysis.
15. What do you mean by Multivariate analysis? How does it differ from Bivariate analysis?
16. A sample of two variables of size 40 produces a correlation coefficient of $r = 0.682$.
 - (a) What is the point estimate for the population correlation coefficient, ρ ?
 - (b) Construct a 95% confidence interval for ρ .

PART C — (1 × 20 = 20 marks)

(Compulsory)

17. (a) What does a measure of central tendency indicate? Describe the important measures of central tendency pointing out the situation when one measure is considered relatively appropriate in comparison to others?
 - (b) The following sample data of the number of communications are taken from logs of Communication with Distance Education students:
5, 9, 5, 23, 27, 55, 34, 7, 30, 15, 22, 60, 14, 52, 297, 8, 51, 15, 51, 35, 15, 39, 137, 43, 38, 14, 93, 7
 - (i) Compute the mean
 - (ii) Compute the standard deviation.
 - (iii) Which is a better representation of the central tendency: mean or median? Explain.

7. Accident arising out of employment is deemed to have occurred in the course of employment. — Discuss.

8. State the three classified types of occupational diseases with illustrations.

PART B — (5 × 10 = 50 marks)

Answer any FIVE out of the following.

9. What is corporate Governance? Explain its Importance.

10. Define ethics. Explain the types of ethics.

11. What are the legal consequences, if the goods are not delivered in time and the payment is not made in time?

12. What are the fundamental principles of Insurance? Explain the losses in life Insurance.

13. What is Doctrine of Ultravires? What are the effects of Ultravires transactions?

14. State the procedure prescribed under the Act for claiming and disbursing compensation under the Workmen's compensations Act.

15. State the grounds on which court can order winding up of a company.

16. What is Agency by Ratification? What are the essential conditions to make a valid ratification?

Answer the following Question.

(a) How would you describe Tesco's competitive environment in the UK market?

(b) How is this environment likely to differ in the markets for food, clothing, electronic goods and financial services respectively?

(c) Why do you think UK retailers were generally slow to venture abroad until the 1990s?

(d) How would you describe Tesco's competitive environment in its international markets?

MBAC 1004

M.B.A. DEGREE EXAMINATION, JUNE 2017.

First Semester

General

BUSINESS ENVIRONMENT AND LAW

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE out of the following.

1. Define Business and state its nature.
2. Explain the theory of Demographic Transition.
3. Examine the growth and future perspective of Indian industries.
4. "Every contract is an agreement but every agreement is not a contract". Do you agree with this statement?
5. List out different kinds of company.
6. What is Articles of Association? What are its contents?