

1. State the importance of financial management.
2. The current market price of the shares of A Ltd. is Rs. 95. The flotation costs are Rs. 5 per share amounts to Rs. 4.50 and is expected to grow at a rate of 7%. You are required to calculate the cost of equity share capital.
3. Mention the merits and demerits of IRR method.
4. A company is considering an investment proposal, involving an initial cash outlay of 45,00,000. The proposal has an expected life 7 years and zero salvage value. At a required rate of return of 12 per cent, the proposal has a profitability index of 1.182. Calculate the annual cash inflows.

(h) Value of average stock maintained

(i) Raw material	320
(ii) Work-in-progress	350
(iii) Finished goods	260

16. Explain the significance and types of working capital.

PART C — (20 marks)

17. Case Study – Compulsory.

A manufacturing unit in Bangalore, which is producing computers and its accessories for past ten years. The performance of the company is growing year by year with increase in abnormal profit. The board of directors of the company decided to expand its business and market. The company is only having 100% equity investment till now as capital. The expansion of the business may need to explore different sources of finance including debt proposition in its capital structure. (a) Chart out different sources of finance available for the company to restructure its capital structure.

(b) Discuss on different financial analysis to be carried out in making the capital restructuring process.

5. Illustrate the effect of the EBIT changes on EPS.

6. Distinguish between financial risk and business risk.

7. State the limitations of Walter's model.

8. What is the difference between gross- and net working capital?

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

9. Discuss different assumptions for computation of cost of capital.

10. A company issues Rs. 20,00,000, 10% redeemable debenture at a discount of 5%. The cost of floatation amount to Rs. 50,000. The debentures are redeemable after 8 years. Calculate before tax and after tax. Cost of debts assuming a tax rate of 55%.

11. Equipment A has a cost of Rs. 75,000 and net cash flow of Rs. 20,000 per year. A substitute equipment B would cost Rs. 50,000 and generate net cash flow of Rs. 14,000 per year for six years. The required rate of return of both equipments is 11%. Calculate the IRR and NPV for the equipment. Which equipment should be accepted and why?

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MBLC 1003

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12. What is meant by leverage? Explain the different methods of leverage.

13. What is MM dividend irrelevance hypothesis? Critically evaluate its assumptions.

14. Krishna company earns a rate of 12% on its total investment of Rs. 6,00,000 in assets. It has 6,00,000 outstanding common shares at Rs. 10 per share. Discount rate of the firm is 10% and it has a policy of retaining 40% of the earnings. Determine the price of its share using Gordon's model. What shall happen to the price of the share if the company has payout of 60% or 20%?

15. From the following information extracted from the books of a manufacturing company, compute the operating cycle in days and the amount of working capital required :

- (a) Period covered 365 days
- (b) Average period of credit allowed 16 days
- (c) Average total of debtors outstanding 480
- (d) Raw material consumption 4,400
- (e) Total production cost 10,000
- (f) Total cost of sales 10,500
- (g) Sales for the year 16,000

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MBAC 2002/
MBLC 1006

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

Second Semester

General/Lateral Entry

MARKETING MANAGEMENT

Time : Three hours
Maximum : 100 marks

SECTION A — (5 × 6 = 30 marks)

Answer any FIVE questions.

1. List out the difference between selling and marketing.
2. What is marketing concept? List out the four distinguishing features of marketing concept.
3. Explain the stages in Product Life Cycle.
4. Explain the factors influencing Pricing decisions.
5. What are the types of channel flows?
6. Distinguish between Retailers and Wholesalers.

7. What are the two types of message appeals in an Advertisement? Explain briefly and give suitable example for each.

8. How does Sales promotion differ from Advertising?

SECTION B — (5 × 10 = 50 marks)

Answer any FIVE questions.

9. What are the 4 P's of Marketing? Explain each in detail with suitable examples.

10. What is market segmentation? Explain the factors influencing market segmentation.

11. Explain the various types of Buyer behavior models.

12. What is a product? Explain the various ranges of product.

13. Explain in detail any five pricing methods.

14. Explain the role of market intermediaries with example.

15. Explain briefly the tools and techniques of sales promotion with live example.

16. Explain the factors contributing to media selection.

SECTION C — (1 × 20 = 20 marks)

(Compulsory)

17. Pond's has planned to develop a website and position it as one stop site for skin care tips and Pond's products. While most other sites revolve around company specific, product-oriented information, Pond's has attempted to provide general information and advice on common skin-care problems, which makes the site universal and not just restricted to Pond's users.

(a) Explain the various steps that the company needs to opt out for ensuring that this internet advertising venture is a success.

(b) What are the steps that can be taken to evaluate the reach of this internet advertising venture?

Answer any FIVE questions.

All questions carry equal marks.

1. Explain the significance of Human Resource management.
2. What are the source of recruitment?
3. Examine the latest HRM issues in Indian industries.
4. State the important training needs in an organization.
5. Explain the steps involved in career development.
6. Discuss the components of wage structure in Indian industries.

assembly-line work for one year. His English is poor, but can speak Hindi fluently. He resides with his mother and seems certain to remain in the area for some more time. After having run farm equipment, he should have no trouble steering a hand cam.

The third one Mr. Amrut is a local boy, which finished his high school some time ago subsequently he got a diploma from a local polytechnic and is currently employed as an assistant in Seven Hills Transport Company. His character reference are good. Mr. Amrut seems to be quick and was track star in his high school.

Questions :

- (a) How much consideration should be given to Mr. Robert's poor work record? Should Mr. Manoj check to verify is?
- (b) How important is command over English to this job?
- (c) Should Mr. Varun be passed over because he is a recent migrant?
- (d) Should his reference be weighted against his inexperience?
- (e) Who should be hired? Why?

16. What are the necessary conditions for successful implementation of employee empowerment? To what extent do these conditions exist in India?

SECTION C — (1 × 20 = 20 marks)

Compulsory.

17. Case study :

Manoj is incharge of a binding works in Mumbai, which employs fifteen people, five of whom work in the factory. Three of these employees run machines, one supervises and the fifth moves the blank paper and finished print by handcar. This fifth position, which demands no skill other than driving a handcar, needs to be filled and three applications have been received. Their names are Robert, Varun, Amrut.

The first one Mr. Robert is 35 years, unmarried and a Navy Veteran. Robert has a poor work record. During his five years in Mumbai he has worked only as seasonal labour and occasional odd jobs. He drove a forklift in the Navy, while working at Chennai. He has a strong built body, which could help, although the work is generally light.

The second one Mr. Varun aged twenty two years, came to Mumbai two years back from Tamil Nadu. He has worked as farm labour for many years and

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7. How will you motivate your employees?
8. What are the necessary condition for effective collective bargaining?

SECTION B — (5 × 10 = 50 marks)

Answer any FIVE questions.

All questions carry equal marks.

9. Describe various functions of human resource management in modern organization.

10. As a human resource manager, how will you select the required man power for your organization.

11. How will evaluate the performance of an employee?

12. Briefly discuss the steps involved in conducting a training programme in a systematic way.

13. How will you manage stress in your organization?

14. Briefly discuss the levels and forms of workers participation in management.

15. "The trade union movement in India plagued by several problems" — Explain and suggest suitable measures to strengthen the movement in India.

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MBLC 1004

SECTION A — (5 × 6 = 30 marks)

Answer any FIVE questions.

1. What are the factors that affect plant location decisions?

2. What is meant by aggregate planning?

3. What are the limitations of operations research?

4. State the phases of OR and its significance in decision making.

5. Find the duality of the following :

$$\text{Minimize } Z = 4x_1 + 3x_2$$

$$\text{Subject to the constraints } x_1 + 3x_2 \geq 9$$

$$2x_1 + 3x_2 \geq 12$$

$$x_1 + x_2 \geq 5$$

$$x_1, x_2 \geq 0.$$

6. Discuss the steps in obtaining the initial feasible solution using north west corner rule.

Activity Preceding activity (ies)
Time estimates (weeks)

Activity	Preceding activity (ies)	Time estimates (weeks)	Most optimistic	Most likely	Most pessimistic
A	-	2	4	6	8
B	-	6	6	12	24
C	-	6	6	11	14
D	A	2	5	8	11
E	A	11	14	14	23
F	B, D	8	10	10	12
G	B, D	3	6	6	9
H	C, F	9	15	15	27
I	E	4	10	10	16

(a) Show the PERT network for the project.

(b) Identify the critical activities.

(c) What is the expected project completion time and its variance?

(d) What is the probability of completing the project one week before the expected time?

(e) If the project is required to be completed by December 31 of a given year and the manager wants to be 95% sure of meeting the deadline, when should he start the project work?

(f) A penalty of Rs. 15,000 per week is to be imposed on the contractor if the project is not completed in 36 weeks. What is the probability that he has to pay a penalty? a penalty of Rs. 45,000?

Warehouse	A	B	C	Supply
1	10	12	7	180
2	14	11	6	100
3	9	5	13	160
4	11	7	9	120
Demand	240	200	220	
Market				

7. What are the assumptions underlying the classical EOQ model?
8. State the operating characteristics of queuing system.
- SECTION B — (5 × 10 = 50 marks)
- Answer any FIVE questions.
9. Illustrate Decision-Tree analysis.
10. Briefly explain the major applications of linear programming in business. What are the steps required in solving an LPP graphically?
11. Solve using simplex method.
 Maximize $Z = 5x_1 + 2x_2$
 Subject to $4x_1 + 2x_2 \leq 16$
 $3x_1 + x_2 \leq 9$
 $3x_1 - x_2 \leq 9$
 $x_1, x_2 \geq 0$.
12. Solve the following transportation problem using VAM.

13. Illustrate the inventory model with planned shortages.
14. Describe the algorithm for finding the critical path and explain the rules for network construction.
15. Arrivals at a telephone booth are considered to be poisson, with an average time of 10 minutes between one arrival and the next. The length of a phone call is assumed to be distributed exponentially with mean 3 minutes. Find
- (a) the probability that an arrival finds that four persons are waiting for their turn.
- (b) the average number of persons waiting and making telephone calls.
- (c) the average length on the queue that is formed from time to time.
16. Solve the following game.
- | | | |
|-------|-------|----|
| B_1 | B_2 | |
| A_1 | 28 | 0 |
| A_2 | 2 | 12 |
| A_3 | 4 | 7 |
- B_1 strategy
 B_2 strategy
 A_1
 A_2 strategy
 A_3
- SECTION C — (1 × 20 = 20 marks)
- Compulsory.
17. A project consists of nine activities whose time estimates (in weeks) and other characteristics are given below.

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

Second Semester

General/Finance (Lateral Entry)

STRATEGIC MANAGEMENT

Time : Three hours
Maximum : 100 marks

PART A – (5 × 6 = 30 marks)

Answer any FIVE questions.

1. What is meant by Objectives? Explain its characteristics and roles.
2. Explain the advantages and Limitations of SWOT analysis.
3. What is Benchmarking? What are the areas where benchmarking can help.
4. What is Marketing Mix? Explain various processes of product planning and development.
5. What do you mean by strategy evaluation? Explain the process of strategy evaluation.

6. What are the need for environmental analysis?
7. Explain in detail the value chain analysis
8. Differentiate Strategy formulation and Implementation.

PART B – (5 × 10 = 50 marks)

Answer any FIVE questions.

9. Explain the advantages and disadvantages of Strategic Business Unit. State the features and contents of Mission.
10. What is Environmental scanning? Explain various internal environment factors influence the business strategy.
11. Discuss the various approaches to Differentiation. State various merits and de-merits of efficient Differentiation.
12. Describe the components of operations plans and policies relating to functional strategies.

- States. Super still wants a bigger share in the market and in foreign markets also, if possible.
- Questions :
- (a) What is SWOT Analysis?
 - (b) What are the strengths of Super?
 - (c) What are the weaknesses of Super for entering into the branded snacks market?
 - (d) What kind of marketing strategy was formulated and implemented for Ringo?
 - (e) What else need to be done by Ringo so as to enlarge its market?

- 13. What are the various risks in cost leaderships? Explain the need for Differentiation strategy.
 - 14. Define Functional strategy. Explain its various elements and types.
 - 15. What is working capital? Explain the determinants of working capital.
 - 16. Examine the role of various external environmental factors which influence the business strategy.
- PART C – (1 × 20 = 20 marks)
- Compulsory
- 17. In 2013-14 Super Food division decided to enter the fast growing (20-30% annually) snacks segment, an altogether new to it. It had only one national competitor-Nice-Snacks. After a year its water snack brand- Ringo, fetched 20% market share across the country. Ringo's introduction was coincided with the cricket world cup. The water snacks market is estimated to be around Rs. 250

company decided to bank upon humour appeal. The Industry sources reveal that Super spent about Rs. 50-crores on advertisement and used all possible media print and electronic, both including the creation of its own website, Ringorinyoungo.com with offers of online games, contests etc. Mobile phone tone downloading was also planned which proved very effective among teenagers. The site was advertised on all dotcom networks. EM TV, SHINE TV, BEE TV and other important channels were also used for its advertisement along with FM radio channels in about 60 cities with large hoardings at strategic places.

Analysts believe that Ringo's success story owes a lot to Super's widespread distribution channels and aggressive advertisements. Humour appeal was a big success. The 'Ringo' was made visible by painting the Railway bogies passing across the

The company decided to target the youngsters as primary target on the assumption that once they are lured in, it was easier to reach the whole family. Advertising in this category was extremely crowded. Every week two-three local products in new names were launched, sometimes with similar names. To break through this clutter the company reported to its chefs and the chefs came out with 16 flavours with varying tastes suiting the targeted age-group.

Before the Super potatoes from farmers easily. its existing distribution network and also source could enter the market a cross-functional team made a customer survey through a marketing research group in 14 cities of the country to know about the snacks of eating habits of people. The result showed that the customers within the age-group of 15-24 years were the most promising for the product as they were quite enthusiastic about experimenting new snack taste. The company reported to its chefs and the chefs came out with 16 flavours with varying tastes suiting the targeted age-group.

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