



Reg. No.

--	--	--	--	--	--	--	--	--	--

501

Third Semester M.B.A. Degree Examination, December 2015
(Choice Based Credit System) (Optional)
BUSINESS ADMINISTRATION
Management Concepts and Functions
(Choice Based Paper)

Time : 3 Hours

Max. Marks : 70

SECTION – A

(1×15=15)

Note : Answer to the question should **not** exceed **six** pages.

1. Compare and contrast the contributions of F.W. Taylor and Henry Fayol to management thoughts.

SECTION – B

(5×8=40)

Note : Answer **any five** questions. **Each** question carries **eight** marks. Answer to **each** question should **not** exceed **five** pages.

2. Discuss the strengths and weaknesses of Matrix Organizational structure.
3. Explain the nature of planning.
4. Explain the factors that determine good control system.
5. Write an explanatory note on Financing Decisions.
6. "Marketing begins before production of goods and continues even after sale has been made". Do you agree ? Why ?
7. Explain the concept of delegation of authority. State the obstacles in delegation of authority.
8. What is the basic framework of the Neo-classical Organization Theory ? Explain.
9. Write an analytical note on Business Ethics.



SECTION – C
(Compulsory)

(1×15=15)

Note : Answer to the question should **not** exceed **six** pages.

10. One Monday morning Sanjay Nagpal, a recent recruit from a reputed management institute in Chennai walked into the sales office at Manipal as a new sales trainee. Raghavan, the Zonal Sales Manager for a large computer hardware firm was there to greet him. Raghavan's job consisted of overseeing the work of sales officers, field executives and trainee salesmen numbering over 50 of three areas namely Manipal, Bangalore, Trivendrum. The sales growth of computers, parts and other office equipments in his area was highly satisfactory, especially in recent years – thanks to the developmental initiatives taken by respective State Governments in spreading computer education in office, schools, colleges, banks and other institutions. Raghavan had collected several sales reports, catalogues and pamphlets describing in detail the types of office equipment sold by the company. After a pleasant chat about their backgrounds, Raghavan gave Sanjay the collected material and showed him to his assigned desk. Thereafter, Raghavan excused himself and did not return. Sanjay spent the whole day scanning the material and at 5.00 p.m., he picked up his things and went home.

Questions :

- a) What do you think about Raghavan's approach for training programme ?
 - b) What type of sales training programme would you suggest to Mr. Raghavan and Why ?
 - c) For sales training programme, what types of trainers are suitable ? What should be their approach for trainings ?
-

Third Semester M.B.A. Degree Examination, December 2015
(Choice Based Credit System)
BUSINESS ADMINISTRATION
Management Accounting

Time : 3 Hours

Max. Marks : 70

SECTION – A
(Compulsory)

(2×10=20)

Note : Answer any two questions. Each question carries 10 marks. Answer to the questions should not exceed six pages.

1. "Management Accounting is an extension of managerial aspects of financial accounting and cost accounting". Elucidate. Discuss the use of Management Accounting as a tool in decision making and exercising control.
2. Explain the significance and limitations of accounting ratios in the analysis of financial statements.
3. Explain the concept of zero base budgeting.

SECTION – B

(3×12=36)

Note : Answer any three questions. Each question carries 12 marks. Answer to the question should not exceed six pages.

4. Following are the ratios relating to the trading activities of an organisation.

Debtors velocity	3 months
Stock velocity	4 months
Creditors velocity	2 months
Gross profit ratio	25%
Capital turnover ratio (based on cost of sales)	3
Fixed assets turnover ratio	4

Gross profit for the year ended 31st March, 2010 was Rs. 7,50,000. Stock as on 31st March, 2010 was Rs. 30,000 more than it was on 1st April, 2009. At the end of the year Bills payable and Bills receivable were Rs. 45,000 and Rs. 50,000 respectively and bank overdraft was Rs. 1,10,000. Make necessary assumptions that you think. Prepare statement of Proprietary Fund for the year ended 31st March, 2010.



5. From the following summarised balance sheet of ABC Ltd., as at 31st March, 2005, and other information furnished, prepare statement of sources and application of fund flow statement for the year ended 31st March 2005.

Balance Sheet

Liabilities	31-3-2004	31-3-2005	Assets	31-3-2004	31-3-2005
Equity share capital	3,00,000	4,00,000	Goodwill	1,15,000	90,000
Preference Share Capital	1,50,000	1,00,000	Land and Building	2,00,000	1,70,000
General Reserve	40,000	70,000	Plant	80,000	2,00,000
Profit and Loss A/c	30,000	48,000	Sundry Debtors	1,60,000	2,00,000
Proposed Dividend	42,000	50,000	Stock	77,000	1,09,000
Creditors	55,000	83,000	Bills receivable	20,000	30,000
Bills payable	20,000	16,000	Cash	15,000	10,000
Provision for tax	40,000	50,000	Cash at Bank	10,000	8,000
Total	6,77,000	8,17,000		6,77,000	8,17,000

Additional information :

- 1) Depreciation of Rs. 10,000 and Rs. 20,000 have been charged on Plant and Land and Buildings respectively in 2005.
 - 2) A dividend of Rs. 20,000 has been paid.
 - 3) Income tax of Rs. 30,000 has been paid during the year 2005.
6. The following information regarding the budget for the year 2008 based on 100% capacity of Sathya Sai Limited has been made available from the cost records :

	Budget for 2008 (Based on 100% capacity) Rs.	Estimated Shut Down Expenses Rs.
Direct Materials	2,40,000	-
Direct Wages	2,10,000	-
Factory Expenses	1,80,000	1,00,000
Administration Expenses	40,000	20,000
Selling and Distribution Expenses	60,700	40,700
Sales	8,50,000	-

You are require to calculate :

- i) The value of output at which the business breaks even, and
- ii) The percentage of capacity at which it breaks even.



7. A company is considering the following investment projects.

Projects	Cash Flows (Rs.)			
	C ₀	C ₁	C ₂	C ₃
A	(10,000)	10,000		
B	(10,000)	7,500	7,500	
C	(10,000)	2,000	4,000	12,000
D	(10,000)	10,000	3,000	3,000

Rank the project according to each of the following methods :

- i) Payback
 - ii) ARR
 - iii) IRR
 - iv) NPV and
 - v) PI, assuming discount rates of 10 percent.
8. What is the importance of working capital for a manufacturing firm ? What shall be the repercussions if a firm has
- a) Paucity of working capital
 - b) Excess working capital ?

SECTION – C
(Compulsory)

(1×14=14)

Note : Answer to the question should not exceed six pages. This question carries fourteen marks.

9. a) Following particulars are extracted from the records of a company :

	Product A	Product B
	Per unit	Per unit
Sales	Rs. 100	Rs. 120
Consumption of material	2 kg.	3 kg.
Material cost	Rs. 10	Rs. 15
Direct wages cost	Rs. 15	Rs. 10
Direct expenses	Rs. 5	Rs. 6
Machine hours used	3	2
Overload expenses :		
Fixed	Rs. 5	Rs. 10
Variable	Rs. 15	Rs. 20

Direct wages per hour is Rs. 5. Comment on profitability of each product (both use the same raw material) when :

- i) Total sale potential (in units and in value) is limited ;
 - ii) Raw material is in short supply
 - iii) Production capacity (in terms of machine hours) is the limiting factor.
- b) Assuming raw material as the key factor, availability of which is 10,000 kg. and maximum sales potential of each product being 3,500 units, find out the product mix which will yield the maximum profit.



Reg. No.

--	--	--	--	--	--	--	--	--	--

503

Third Semester M.B.A. Degree Examination, December 2015
(Choice Based Credit System)
BUSINESS ADMINISTRATION
Computer Application in Management

Time : 3 Hours

Max. Marks : 70

SECTION – A
(Compulsory)

(1×15=15)

Note: Answer to the question should **not** exceed **six** pages.

1. What are the managerial challenges of IT in a modern organisation ? Explain.

SECTION – B

(5×8=40)

Note: Answer **any five** of the following questions. **Each** question carries **8** marks.
Answer to the question should **not** exceed **five** pages.

2. Elucidate the advantages and disadvantages of e-commerce. Could the disadvantages be overcome.
3. Explain the various type of database.
4. Why information system is essential for running and managing the business today ? Explain.
5. How the internet and intranet technology work and how do they support communication and e-business ? Explain.
6. What are the different ways of designing the power point presentation ? Explain.
7. Illustrate the application of MIS at various levels of management.
8. Explain the uses of macros and outline the steps involved to run macros.
9. Security system is the most important aspect of electronic commerce solution. Justify the statement.

P.T.O.



SECTION – C
(Compulsory)

(1×15=15)

Note : Answer to the question should **not** exceed **six** pages.

10. Vending machines are often out of their most popular items, waiting for service personnel to replenish them. Coca-Cola Amatil Ltd., the company that bottles Coca-Cola in Australia and several countries in the Asia-Pacific region, equipped about 35,000 of its vending machines with microprocessors and cellular transmitters that transfer information daily to a database at company headquarters in Sydney, Australia. The system collects sales information that can be used to analyze performance of the vending machines. It also provides a link to the sales and distribution transaction processing system. Sales data are collected and transmitted, enabling service personnel to refill the machines as needed, rather than at predetermined intervals.

The microprocessors also detect faulty machines so repair technicians can be dispatched to fix them more quickly. Each machine is polled every evening to determine usage. This process enables the company to do more efficient delivery routing by knowing which machines need to be filled, what product they need, and how much is needed. The information is also useful to track sales and usage trends.

Questions :

- a) What was the business strategy of Coca-Cola Amatil, Ltd. when it made the decision to install this new technology ?
 - b) How does the process of managing sales of sodas through vending machines change with the introduction of this system ?
-



Reg. No.

--	--	--	--	--	--	--	--	--	--

3 F 1

Third Semester M.B.A. Degree Examination, December 2015
(Choice Based Credit System) (Repeater)
BUSINESS ADMINISTRATION
Strategic Financial Management and Policy

Time : 3 Hours

Max. Marks : 70

SECTION – A

(2×10=20)

Note : Answer **any two** questions. **Each** question carries **ten** marks. Answer to the question should **not** exceed **six** pages.

1. Discuss the key issues to be addressed during the project life cycle.
2. How the financial decisions are decided ? Explain.
3. What are the methods of disinvestment available to a venture capitalist ? Explain.

SECTION – B

(3×12=36)

Note : Answer **any three** questions. **Each** question carries **12** marks. Answer to the question should **not** exceed **six** pages.

4. Two companies X and Y belong to the same risk class. They have everything in common except that firm Y has 10 percent debentures of Rs. 5 lakhs. Net operating profit of both companies is Rs. 7,50,000 each. The equity capitalisation rate of company X and company Y are 12.5 percent and 14 percent respectively. Compute the value of both the companies. According to MM do they represent equilibrium values ? If not explain the process by which equilibrium will be restored assuming an investor owns 10 percent equity of overvalued firm.
5. Elucidate the techniques of corporate tax planning.
6. ABC company has an investment of Rs. 30 crore divided into 30 lakh ordinary shares. The profitability of the firm is 15 percent and the capitalisation rate is 12.5 percent. What is the optimum payout for the company according to Walter's model ? Would your answer change if the profitability is assumed to be 10 percent ? What shall be the price of the share at optimum payout ?

P.T.O.



7. Two firms A and B have the following information.

Details	Firm A	Firm B
Sales	200000	170000
Variable Cost	45000	75000
Fixed Cost	90000	37500
Interest	15000	10000

Compute the degree of operating and financial leverage of both firms. If the sales change by 25 percent what shall be the impact on EPS of both firms? Offer your comment on the leverage positions of the firm.

8. X Company wants to acquire Y Company. If the merger were effected through an exchange of shares, X Company will be willing to pay 40 percent of premium for Y Company's shares. The following data are pertinent to Companies X and Y.

Details	X Company	Y Company
Net profit (Rs.)	10,00,000	2,00,000
Number of Shares	500000	250000
Market price per share (Rs.)	120	30

For the companies company, you are required to calculate (a) EPS, (b) Market value per share (c) Total market capitalisation. Also calculate total premium paid to the shareholders of Y Company.

SECTION – C
(Compulsory)

(1×14=14)

9. Two Companies A and B have the following information :

Details	Company A	Company B
Earnings per share (Rs.)	10	7.5
Dividend Payout ratio	50	40
Capitalisation rate	15 percent	15 percent

The earnings of Company A is growing at 16 percent for the next six years and thereafter at 10 percent forever.

The earnings of Company B is growing at 20 percent for the first three years and thereafter at 15 percent for the next three years. Thereafter it will grow at 12 percent forever.

If its equity capitalisation rate is 15 percent, what is the value of the shares? Also calculate the value of growth opportunities for the companies. Which share would you recommend? Why?



Reg. No.

--	--	--	--	--	--	--	--	--	--

3 F 1

Third Semester M.B.A. Examination, December 2015
BUSINESS ADMINISTRATION
Strategic Financial Management and Policy

Time : 3 Hours

Max. Marks : 70

SECTION – A**(2×10=20)**

Note : Answer **any two** questions. **Each** question carries **10** marks. Answer to **each** of the question should **not** exceed **five** pages.

1. Describe the criteria used in the financial management decisions.
2. Bringout and explain the objectives of corporate tax planning.
3. Explain the prerequisite for the success of Venture Capital Financing.

SECTION – B**(3×12=36)**

Note : Answer **any three** questions. **Each** question carries **12** marks. Answer to **each** of the question should **not** exceed **six** pages.

4. Discuss the phases in Project Life Cycle.
5. An investor is considering to invest in two companies' shares. In the previous year both companies paid a dividend of Rs. 5 per share. The dividend of company A is growing at 15 percent for the first four years and at 12 percent for the next 3 years. Thereafter it will grow at 8 percent forever. The dividend of company B is growing at 15 percent for the first seven years and thereafter at 8 percent forever. If the capitalisation rate of the investor is 12 percent, compute the value of shares and offer your comment on the investment in these shares. Which share would you recommend if the current market price of the share is Rs. 100 and Rs. 150 for Company A and Company B respectively ? Why ?
6. A company has plan to sell 120000 units of a product for Rs. 15 per unit. Variable costs to produce one unit of the product is Rs. 4 and the fixed costs of the firm is Rs. 5,00,000. The firm employed debt worth Rs. 5,00,000 at a cost of 10 percent per annum and it is in 35 percent tax bracket. It has 15000 outstanding equity shares. Due to uncertain economic condition, the company want to know the effect of change in sales on profitability. It expect a change in sales to 150000 units or 90000 units. Also compute percentage change in EPS if sales increase by 10 percent.

P.T.O.



7. A company's expected annual net operating income is Rs. 75,000. The company has Rs. 3,00,000, 10 percent debentures. The equity capitalisation rate of the company is 12.5 percent. The company has decided to raise or reduce the amount of debentures by 100000 respectively. What is the value of the firm for the change in capital structure according to NI approach ? Why you find change in value or constant value of firm ? Explain.
8. Show the effect of dividend policy on the market price of shares, using Walter's model with the following information.
 Equity capitalisation rate 10 percent
 Earnings per share Rs. 8
 Assumed rate of return on investments : 12 percent, 10 percent and 8 percent.
 Assumed pay-out ratio : 0 percent, 25 percent, 50 percent, 75 percent and 100 percent.

SECTION – C

(1×14=14)

Note : Answer to this question should **not** exceed **six** pages.

9. ABC Company is taking over XYZ Company. The shareholders of XYZ Company would receive 0.8 shares of ABC Company for each shares held by them. The merger is not expected to yield any economies of scale and operating synergy. The data relating to ABC and XYZ are as follows :

Details	ABC	XYZ
Net sales (Rs. Crore)	335.00	118.00
PAT (Rs. Crore)	58.00	12.00
Number of Shares (Crore)	12.00	3.00
EPS (Rs.)	4.83	4.00
Price earnings ratio	6.21	5.00

For the combined company you are required to calculate, EPS, P/E Ratio, Market value per share, Number of shares, market capitalisation and premium paid by ABC to the shareholders of XYZ.

Reg. No.

--	--	--	--	--	--	--	--	--	--

3 F 2

Third Semester M.B.A. Degree Examination, December 2015
BUSINESS ADMINISTRATION
(Choice Based Credit System)
Security Analysis and Portfolio Management

Time : 3 Hours

Max. Marks : 70

Note : Answer all Sections.**SECTION – A****(2×10=20)**

Note : Answer any two questions. Each question carries 10 marks. Answer to the question should not exceed six pages.

1. Discuss the various investment opportunities and their risk-return profiles.
2. Discuss the factors to be considered in Company analysis.
3. What are the technical tools used for analyzing the stock performance ?

SECTION – B**(3×12=36)**

Note : Answer any three questions. Each question carries 12 marks. Answer to the question should not exceed 6 pages.

4. Stocks R and S display the following returns over the past two years.

Year	Stock "A" Return (%)	Stock "B" Return (%)
2010	12	16
2011	18	19

- a) What is the expected return on a portfolio made up of 40 percent A and 60 percent B ?
- b) What is the standard deviation of each stock ?
- c) What is the covariance of stocks A and B ?
- d) Determine the correlation coefficient of stocks A and B.
- e) What is the portfolio risk of a portfolio made up of 40 percent A and 60 percent B ?
- f) What is the proportion of A and B that gives the least risk ?

P.T.O.



5. Shown below are the returns on Xerox and the S and P 500 Stock Index for a five-year period.

Year	Return on Stock Xerox	Return on S and P 500
1	0.20	0.25
2	0.30	0.35
3	0.10	0.15
4	0.15	0.20
5	0.05	0.10

- a) Plot the returns on Stock versus the S and P 500 on a graph.
 b) Calculate the regression equation for the returns you have plotted (i.e., alpha, beta, and residual variance) and draw the line for this equation on your graph.
 c) Indicate i) total variance for Xerox and ii) the proportions that are explained and not explained by the S and P 500.
6. What is the optimum portfolio in choosing among the following securities and assuming $R_f = 5$ percent and $\sigma_m^2 = 10$ percent?

Security	Expected Return	Beta	$\sum^2 e_i$
A	15	1.0	30
B	12	1.5	20
C	11	2.0	40
D	8	.8	10
E	9	1.0	20
F	14	1.5	10

7. The following data are available to you as a portfolio manager.

Security	Expected Return	Bet A	Standard Deviation
L	0.38	1.77	0.52
M	0.35	1.45	0.30
N	0.29	1.19	0.40
O	0.32	1.95	0.25
P	0.27	1.15	0.20
Q	0.44	2.70	0.28
NSE stock index	0.22	1.00	0.26
Treasury bills	0.06	0	0

- a) Draw the SML. Plot each stock on your graph.
 b) In terms of an SML, which of the securities listed above are undervalued/overvalued? Why?
8. Discuss the various derivatives strategies that can be used for managing the risks.



SECTION – C

(1×14=14)

Note : Compulsory. Answer to the question should **not** exceed **6** pages.

1. Hexagon Funds Inc. manages several mutual fund schemes. The following four funds exhibit the characteristics given below :

Funds	Average Annual Return	Standard Deviation	Correlation co-efficient with the market
Equity Fund	21	27	0.8
Growth Fund	18	14	0.75
Balanced Fund	15	8	0.7
Debt Fund	12	6	0.4
Market	15	10	1
T-Bill	8		

- a) Evaluate the performance of the above portfolios using Sharpe's, Treynor's and Jensen's indices.
 - b) Which of the portfolios has performed well ?
 - c) If an investor approaches you to know the ability of the fund manager to select the under-valued stocks, which one would suggest and why ?
 - d) If an investor approaches you to know the ability of the fund manager to know the fund that has given the highest returns to total risk, which one would suggest and why ?
-



Reg. No.

--	--	--	--	--	--	--	--	--	--

3 H 1

Third Semester M.B.A. Degree Examination, December 2015
(Choice Based Credit System)
BUSINESS ADMINISTRATION
Training and Development

Time : 3 Hours

Max. Marks : 70

SECTION – A
(Compulsory)

(1×15=15)

Note : Answer to the question should **not** exceed **six** pages.

1. Describe the significance of training and development in today's world. Explain the major shift required in management training.

SECTION – B

(5×8=40)

Note : Answer **any five** of the following questions. **Each** question carries **8** marks. Answer to **each** of the question should **not** exceed **five** pages.

2. Describe the steps of organising a lecture for developing management skills.
3. Explain the role of ILO and government agencies in training and developing new skills.
4. How will you determine the training needs of an industrial organisation ? Explain.
5. Explain whether and how the effectiveness of training programmes can be evaluated.
6. Explain the steps to be followed in training process.
7. Explain the need and importance of competency based management training.
8. What is on the job training ? Explain its significance in developing the workforce capabilities.
9. Explain the criteria to be considered for selection and training of trainers.

P.T.O.



SECTION – C
(Compulsory)

(1×15=15)

Note : Answer to the question should **not** exceed **six** pages.

10. Rajat Sharma has been employed for six months in the accounts section of a large manufacturing company in Faridabad. You have been his supervisor for the past three months. Recently you have been asked by the management to find out the contributions of each employee in the Accounts Section and monitor carefully whether they are meeting the standards set by you.

A few days back you have completed your formal investigation and with the exception of Rajat, all seem to be meeting the targets set by you. Along with numerous errors, Rajat's work is characterised by low performance often he does 20 percent less than the other clerks in the department.

As you look into Rajat's performance review sheets again, you begin to wonder whether some sort of remedial training is needed for people like him.

Questions :

- a) As Rajat's supervisor, can you find out whether the poor performance is due to poor training or to some other cause ?
 - b) If you find Rajat has been inadequately trained, how do you go about introducing a remedial training programme ?
 - c) If he has been with the company for six months, what kind of remedial programme would be best ?
 - d) Should you supervise him more closely ? Can you do this without making it obvious to him and his co-workers ?
 - e) Should you discuss the situation with Rajat ?
-

Reg. No.

--	--	--	--	--	--	--	--	--	--

3 H 2



Third Semester M.B.A. Degree Examination, December 2015

(Regular)

BUSINESS ADMINISTRATION
Employee Relations Management

Time : 3 Hours

Max. Marks : 70

Note : Answer all Sections.

SECTION – A

(1×15=15)

(Compulsory)

Note : Answer to the question should **not** exceed **six** pages.

1. "The concept of 'Employee Relations' is nothing but an old wine in a new bottle". Discuss with practical examples.

SECTION – B

(5×8=40)

Note : Answer **any five** questions. **Each** question carries **eight** marks and answer for **each** question should **not** exceed **five** pages.

2. Examine any four factors that influence the comparison of Industrial Relations with Employee Relations. Give examples.
3. As a Manager-ER, what measures do you adopt in promoting employee relations ? Briefly explain with instances.
4. Define the terms 'worker', 'manufacturing process' and 'factory' under the Factories Act, 1948.
5. Outline the various steps involved in Employee Grievance Handling Procedure.
6. Discuss briefly the steps involved in the negotiation process.
7. Critically examine the causes of industrial disputes in Indian Companies.
8. Write an explanation note on Jamshedpur Experiment on WPM in India. Can it work in other industries in India ? Give details.
9. As an ER Manager, how do you convert your organisation into a "Zero Harassment Work Place" ? Outline the various measures in brief.

P.T.O.



SECTION – C
(Compulsory)

10. Case Analysis :

Analyse the following case and answer the posers given at the end.

Team Computers India

Attrition in Team Computers India Private Limited, an INR 300 crore IT infrastructure management company, has reached 40 percent. The company is growing at the rate of almost 20 percent per annum and the requirement for skilled and experienced manpower is pinching the company. The non-availability of right-profile software/hardware engineers will become the main differentiator. Team Computers is an ethical company and maintains the industry standards in respect of compensation and benefits. They adhere to all the statutory requirements as far as labour-law provisions are concerned. The human resources department spends most of its resources scouting for talent and maintaining an employee database. There is a virtual war in the marketplace for talent. Employees are bargaining for—and getting – impossible terms including a five-day week, flexi-timing, onshore deployment, full pay on bench etc. The HR department has been dealing with a collective of staff periodically to get a feedback on their requirements, but these meetings turn out to be one-sided, economic demands from the staff. Recently, you have heard that certain national trade unions are making forays into the IT sector to lobby for the regulation of the working conditions. This would complicate matters and will have direct impact on the cost and flexibility of operations.

- 1) What, in your opinion, are the fundamental issues faced by the management ?
 - 2) What would be the correct long-term approach for handling these issues ?
 - 3) Do you think the entry of trade unions in the IT industry will make it less competitive ?
-

Reg. No.

--	--	--	--	--	--	--	--	--	--

3 M 1

Third Semester M.B.A. Degree Examination, December 2015
(Choice Based Credit System) (Regular)
BUSINESS ADMINISTRATION
Marketing Research and Consumer Behaviour

Time : 3 Hours

Max. Marks : 70

SECTION – A
(Compulsory)

(1×15=15)

Note : Answer to the question should **not** exceed **six** pages.

1. Describe the stages in consumer decision making process. What is the relevance of this process to marketers in India ? Explain with examples.

SECTION – B

(5×8=40)

Note : Answer **any five** questions. **Each** question carries **eight** marks. Answer to a question should **not** exceed **six** pages.

2. Do you think consumption values of Indian Consumers Changing ? Explain.
3. Discuss the marketing application of Learning Model of consumer behaviour.
4. Explain how culture influences consumer behaviour.
5. What are consumer attitudes ? How are they related to consumer behaviour ?
6. What do you mean by Exploratory Research ? When is it used by marketers ?
7. When do the market researchers use non-probability sample techniques ? Illustrate.
8. What are qualitative scales ? What is their usefulness ?
9. Explain the role of children in family buying decisions.

SECTION – C
(Compulsory)

(1×15=15)

Note : Answer to the question should **not** exceed **six** pages.

10. An NRI is planning to set up a chain of fast food restaurants in the major cities of Karnataka. Which personal, socio-cultural and psychological factors you think will work for or against the success of the proposed business ? If you are asked to design a market research, how do you go about it ? Elaborate your answer.



Reg. No.

--	--	--	--	--	--	--	--	--	--

3 M 2

Third Semester M.B.A. Degree Examination, December 2015
BUSINESS ADMINISTRATION
Promotion and Distribution Management

Time : 3 Hours

Max. Marks : 70

SECTION – A

(1×15=15)

Note : Answer to the question should **not** exceed **six** pages.

1. Discuss the various forms of modern retailing and also explain the impact of modern retailing on conventional retailers in India.

SECTION – B

(5×8=40)

Note : Answer **any five** questions. **Each** question carries **eight** marks. Answer to the question should **not** exceed **5** pages.

2. Explain the creativity in an advertising copy you have seen.
3. Explain the various methods for evaluation of advertising effectiveness.
4. Explain the importance of public relations in an organization.
5. Explain the steps involved in personal selling process.
6. Explain the factors which considered while choosing distribution network.
7. With example explain the supply chain partners of a firm which you are familiar with.
8. Explain the operation of non-store retailers.
9. Explain the role of IT in logistic management.

P.T.O.



SECTION – C
(Compulsory)

(1×15=15)

10. Read the case and answer the questions given below. Answer to the questions should **not** exceed 6 pages.

A certain store was keeping a number of brands of washing machines. They had washing machines to cater to the needs of all the segments of the society. They were stocking IFB, Videocon, BPL, National, Godrej and local made washing as well. They had automatic, semi-automatic and manual machines. The automatic machines were bought by the higher income group. The middle income group was content with semi-automatic machines. Manual hand operated machines were for the 'lower class of clientele, and also those living in the rural areas, where electrification was not complete, or the electricity went off for days together. It was observed that when customers came to buy an automatic machine, they usually came with their spouses and they looked mainly at the colour, style of functioning, electric consumption, care for handling, price factors, etc. Many customers would not buy on their first visit. They would come back after an interval of time and purchase the machine after careful considerations of the attributes that they were looking for. Many would lower their choice and come back to buy semi-automatic, instead of automatic machines. The sale was observed to be highest during marriage seasons and at festival times. There was a great influence of the house-wives in buying these, as they were the ultimate users. With a lot of information imparted by the media, and the children being exposed to it for several hours, in a day, they seemed to have a good knowledge of the attributes, and had a great say in the purchases and their opinions were also given weightage by the parents. Since a chain store is more interested in the sales to materialise, rather than pushing any particular brand, the salesman are directed to satisfy the customers or the family. This should be their first consideration.

Questions :

- 1) What should be the role of the marketer in the above case regarding advertisement, promotion, persuasion and closing the sales ?
 - 2) Who others could influence the purchase decisions in a family, in relevance with the above case ?
 - 3) Do you feel that group interaction helps the buyer too, in his decision-making process ? Elaborate.
-