

Reg. No.

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

501



**Third Semester M.B.A. Degree Examination, December 2013**  
**BUSINESS ADMINISTRATION**  
**Management Concepts and Functions**  
**(Choice Based Paper) (CBCS Optional Paper)**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**  
**(Compulsory)**

**(1×15=15)**

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

1. Discuss the major issues to be addressed by the managers of new age organisations.

**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. Summarise the major findings of Elton Mayo and his associates.
3. What are planning premises ? Why are they important ? Explain.
4. What is 'Span of supervision' ? Explain the factors to be considered while determining the span.
5. What is delegation of authority ? Why do managers hesitate to delegate ? Explain.
6. Explain different selection techniques.
7. What is marketing concept ? How is it different from sales concept of marketing ? Illustrate your answer.
8. What is personal selling ? Briefly explain the process of personal selling.
9. What are the major objectives of financial management ? Explain with examples.

P.T.O.



SECTION – C  
(Compulsory)

(1×15=15)

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

10. Read the following case and answer the questions given at the end.

Roan Ltd., is a medium sized company in Mangalore engaged in the production of food products. It is planning to advertise its products to increase its sale. In this context the company approaches you to develop advertising programme. How do you go about the process of developing advertising programme ? What are the aspects that you would consider for developing the advertisement copy ? What different media you would suggest ? Elaborate your answer.

---

Reg. No.

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

502

**Third Semester M.B.A. Degree Examination, December 2013**  
**BUSINESS ADMINISTRATION**  
**Management Accounting**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**

**(2×10=20)**

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

1. State the usefulness of break even analysis in managerial decisions. What are its limitations ?
2. Explain meaning, objectives and methods of analysis and interpretation of financial statements.
3. What is working capital ? What are the disadvantages of too high and too low working capital ?

**SECTION – B**

**(3×12=36)**

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

4. State meaning of funds and cash flow statements. Between these two statements which statement meets the management need of analysis and why ?
5. Identify various users of financial statements. Explain how ratio analysis is useful to each of these users.
6. The following are the present cost and output data of a manufacturer :

Product	Price per unit (Rs.)	Variable cost per unit (Rs.)	% of Sales
Ceiling fans	360	240	50
Exhaust fans	600	360	30
Industrial fans	800	480	20

Total fixed cost per year Rs. 1,50,000

Volume of sales last year Rs. 5,00,000

P.T.O.



The manufacturer is considering whether to drop industrial fans and replace it with heat convectors. If this drop-add decision is taken, the cost and output data would be as follows :

Product	Price per unit (Rs.)	Variable cost per unit (Rs.)	% of Sales
Ceiling fans	360	240	50
Exhaust fans	600	360	20
Heat convectors	850	450	30

Is the change worth undertaking ?

7. ABC Industries Ltd. is considering the purchase of a new machine which would carry out same operation at present performed by manual labour. The two alternative models of the machine for consideration are : A and B.

Particulars	A	B
Cost of machine	Rs. 3,00,000	Rs. 4,00,000
Estimated life	10 years	12 years
Estimated savings in scrap per annum	Rs. 20,000	Rs. 30,000
Additional cost of supervision per annum	Rs. 22,000	Rs. 20,000
Additional cost of maintenance per annum	Rs. 12,000	Rs. 14,000
Estimated savings in wage :		
Wages/Workers per annum	Rs. 1,200	Rs. 1,200
Workers not required	150	200

Rate of tax may be regarded as 35%

Which model can be recommended for purchase ? Use payback period, NPV, PI and IRR method. Give reason for your choice.

8. The following are the extracts from the financial statements of Blue and Red Ltd. as on 31<sup>st</sup> March, 2012 and 2013 respectively :

	31 <sup>st</sup> March 2012 (Rs.)	31 <sup>st</sup> March 2013 (Rs.)
Stock	10,000	25,000
Debtor	20,000	20,000
Bills receivable	10,000	5,000
Cash in hand	18,000	15,000



Bills payable	15,000	20,000
Bank overdraft	—	2,000
9% debentures	5,00,000	5,00,000
Sales for the year	3,50,000	3,00,000
Gross profit	70,000	50,000

You are required to compute for both these years current ratio, liquid ratio, stock turnover ratio, number of days outstanding of debtors and stock-working capital ratio.

**SECTION – C**  
**(Compulsory)**

**(1×14=14)**

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

9. Tara Whitney was interested in controlling her company's inventory because she knew that excess inventories were expensive in that they tied up funds. On the other hand, insufficient inventory levels could result in lost sales. Whitney obtained the following inventory information from her trade association, which reported average figures for companies similar to hers :

Day's inventory	38 days
Inventory turnover	11 times

Whitney had the following information from last year, which she considered to be a typical year for her company :

Cost of sales	Rs. 3,00,000
Beginning inventory	Rs. 58,160
Ending inventory	Rs. 62,880

Required :

How does Tara Whitney's company's inventory compare with that of other similar companies ?

---

Reg. No.

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



503

**Third Semester M.B.A. Degree Examination, December 2013**  
**BUSINESS ADMINISTRATION**  
**Human Resource Management**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**  
**(Compulsory)**

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

**(1×15=15)**

1. Discuss with examples the changing environment of HRM in 21<sup>st</sup> century.

**SECTION – B**

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

**(5×8=40)**

2. Distinguish between recruitment and selection. Briefly explain different sources of recruitment in India.
3. What is performance appraisal ? Discuss the appraisal methods used in organisations.
4. Why are incentives important ? Explain the different incentive schemes meant for workers and managers.
5. What are the major components of compensation management ? Explain compensation management process.
6. What is career planning and development ? Discuss the role of HR professionals at different stages of career cycle of an employee.
7. What are the objectives of collective bargaining ? What are the stages in the collective bargaining process followed in organisations ? Explain.
8. What are grievances ? Why should they be addressed by the management ? Explain the guidelines for effective grievance handling.
9. What are the causes of an accident ? How can management ensure safety in the workplace ?

P.T.O.



**SECTION – C**  
**(Compulsory)**

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

**(1x15=15)**

10. Read the following case and answer the questions given at the end.

Mr. Gain Chan Verma is the Chief Executive of an organization at Ranchi in Orissa. Mr. Verma after considerable deliberations ,decided that he urgently needed an excellent specialist in Marketing Management. He sent for Mr. Barua, the Personnel Manager explained to him, his requirements of a top-class marketer. Mr. Verma briefed Mr. Barua, the Personnel Manager for about twenty-five minutes. The chief explained the characteristic he expected in a candidate for this post. Mr. Barua was directed to :

- 1) Release an advertisement, specifying the last date for the receipt of the applications to be twenty-one days after the appearance of the advertisement.
- 2) It was decided that Mr. Barua will tabulate the details of all the applications received and forward these to Mr. Verma.
- 3) The Personnel Manager was advised to shortlist three most deserving candidates. A note on each of the short listed candidates along with original application was to be put up to Mr. Verma.
- 4) All the staff work pertaining to the vacancy must be completed within the time period of 2 months.

Mr. Verma was pleasantly surprised when on fifty-ninth day of the meeting with Mr. Barua; two folders arrived from the personnel department. One folder contained tabulated details of all the twenty-six applications received and the other contained the write-up and applications of the shortlisted three candidates. The chief opened the folder of the shortlisted candidates and hoped that the selection could be completed by examining the write-ups of the short listed candidates alone. He had called the balance of the papers only as a standby measure and would see these only if selection could not be completed using the write-ups of the shortlisted candidates alone. The write-up was for 4 and not 3 shortlisted candidates. This was as follows :

Mr. Sunil Kumar Mitra is thirty one years old, MBA, Marketing, from a renowned university in UK, obtained 59.8 percent marks. He has been working in Manchester, UK for the last 6 years as a Marketing Executive. He has married an English lady and is willing to return to India, if he gets a suitable opening in this country, preferably in eastern India.



Mr. Sanatan Das is twenty-six years old. He was first class first in M.B.A., Marketing from the last batch of the Management Institute at Ranchi. He has done some short-term teaching assignments since his results were announced. He has many offers for jobs but has not decided on his future course of action because he is very fond of Ranchi and teaching.

Mr. P.S. Gill is twenty-nine years old. M.B.A., Marketing from Delhi University with an "A" grade. He has four years of experience in marketing of the consumer goods in the Rural Markets in Punjab. He has categorically stated that he will not work for a pay package of less than Rs. 3 lakh per annum.

Mr. A.N. Sinha is thirty-five years old. He is a senior clerk in the Marketing section of our own organization from the last fifteen years. He has wide experience about all the events that have taken place in the field of Marketing in our organization. He is intelligent, sincere and hard working. He does not fulfill the qualifications laid down for our assignment, but his name has been included in the shortlisted candidates as a special case. Mr. Sinha will be happy if he is promoted in recognition of his contributions to the organization and will be satisfied with a marginal increase of his pay package. He need not be given the grades that are likely to be demanded by other candidates.

Mr. Verma is impressed by the short listing and write-up work of Mr. Barua and decides to complete the selection of the candidates without opening the folder of twenty-six tabulated applications. He reads the details of the shortlisted candidates one more time and keeps these papers in the pending tray thereafter. He wants to digest this information before taking a suitable decision. Whom would you select and why ?

---



Reg. No.

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



**3 F1**

**Third Semester M.B.A. Degree Examination, December 2013**  
**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 the question should **not** exceed **5** pages.

1. Discuss the financial management decisions.
2. Explain the sources of project identification.
3. Describe the objectives and techniques of corporate tax planning.

**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. Elucidate the stages in venture capital financing.
5. A company belongs to a risk class for which the appropriate capitalisation rate is 10 percent. It has outstanding shares of 25000 selling at Rs. 100 each. The firm is contemplating the declaration of a dividend of Rs. 5 per share at the end of the current year. The company expects to have a net income of Rs. 2,50,000 and has a proposal for making new investments of Rs. 5,00,000. Show that under MM assumptions the payment of dividend does not affect the value of the firm.
6. A company's expected annual net operating income is Rs. 1,00,000. The company has Rs. 3,00,000, 10 percent debentures. The equity capitalisation rate of the company is 12.5 percent. The firm has decided to raise the amount of debt by Rs. 1,50,000 and uses the proceeds to retire the equity shares or decrease the amount of debt by Rs. 1,50,000 and a fresh issue of equity shares is made to retire the debt. Examine the effect of change in capital structure on the firm's value according to NOI approach.

P.T.O.



7. A prospective investor is evaluating the shares of three companies. First company will maintain to pay its current dividend per share with out any increase or decrease. Second company's dividend will grow at an annual (compound) rate of 8 percent in perpetuity. Third company's dividend will grow at a high rate of 12 percent per year for first three years; a medium rate of 8 percent for the next three years and thereafter, at a constant rate of 6 percent for ever. The last year's dividend per share and the current market price of all companies are Rs. 3 and Rs. 80 respectively. If the investors required rate of return is 10 percent, calculate the value of all three companies. Should the shares be purchased ? Why ?
8. From the following selected operating data determine the break even sales level and the degree of operating leverage. Which company has the greater amount of business risk ? Explain.

	Company A	Company B
Sales (Rs.)	25,00,000	30,00,000
Fixed costs (Rs.)	7,50,000	15,00,000

Variable expenses as a percentage of sales for firm A are 50% and for firm B are 25%.

**SECTION – C**  
**(Compulsory)**

**(1×14=14)**

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

9. ABC company is considering the acquisition of XYZ company with exchange of its shares. The financial data for the companies are as follows :

Particulars	ABC Company	XYZ Company
Profit after tax (Rs. in thousands)	800	600
Number of shares (Thousands)	200	300
Earnings per share (Rs.)	4	2
Price-earnings ratio	15	10

XYZ company expects an offer of 125 percent of its current market price from ABC company.

- What is the exchange ratio of shares ? How many new shares will be issued ?
- What is the acquiring company's EPS after merger ? Assume 15 percent synergy benefits accrue due to the merger.
- If the price/earnings ratio after merger is at 20 times, what is the market price per share of the surviving company ?



Reg. No.

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

**3 F1**

**III Semester M.B.A. Degree Examination, December 2013**  
**BUSINESS ADMINISTRATION**  
**Strategic Financial Management and Policy**  
**(For Repeaters Only)**

Time : 3 Hours

Max. Marks : 75

**Note : Answer all Sections.****SECTION – A**

**Note :** Answer **any two** questions. **Each** question carries **12** marks. Answer to the question should **not** exceed **6** pages. **(2×12=24)**

1. Explain the basic financial decisions. How do they involve in risk-return trade-off ?
2. Describe the process of venture capital financing.
3. Elucidate the factors affecting working capital requirements of a firm.

**SECTION – B**

**Note :** Answer **any three** of the following questions. **Each** question carries **12** marks. Answer to the question should **not** exceed **6** pages. **(3×12=36)**

4. Discuss the importance of corporate tax planning.
5. G Company is taking over T Company. The shareholders of T would receive 0.6 shares of G for each shares held by them. The merger is not expected to yield any operating synergy. The relevant data for the two companies are as follows :

	<b>G</b>	<b>T</b>
Net sales (Rs. crore)	500.00	175.00
Profit after tax (Rs. crore)	100.00	25.00
Number of share (crore)	12.50	5.00
Earnings per share (Rs.)	8.00	5.00
Price-earnings ratio	12.00	6.00

For the combined firm (after merger), you are required to calculate (a) EPS, (b) P/E ratio, (c) Market value per share, (d) Number of shares and (e) Total market capitalization. Also calculate the premium paid by G to the shareholders of T.

P.T.O.



6. The cost of equity and EPS of a company is 11 percent and Rs. 10 respectively. Using Gordon's dividend policy model, determine optimum payout ratio and the price of share at the optimum payout ratio for growing, normal and declining firms. Assume different return on investment and payout ratio. Comment on your result.
7. Company A and B are identical in every respect except that company A uses debt while company B does not. A company has Rs. 10,00,000 debentures, carrying 10 percent rate of interest. Both the companies earn 15 percent operating profit on the total assets of Rs. 20,00,000. Which of these firms has an optimum capital structure according to NOI approach ? Why ? Assume 15 percent cost of equity for an all equity firm.
8. A company has Rs. 10,00,000, 10 percent debentures and 5000 equity shares outstanding. It is 50 percent tax bracket. Assuming three levels of EBIT (i) Rs. 30,000, (ii) 50,000 (iii) 70,000, calculate percentage change in EBIT and EPS. Calculate the percentage change in EPS for 20 percent change in EBIT.

### SECTION – C

#### (Compulsory)

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

(1×15=15)

9. A prospective investor is considering investing in ABC's shares. The current market price of the share is Rs. 39. Being a long term investor he wants to hold the share for ten year. Currently company is not paying any dividend. The investor visualizes the following four possibilities.
  - a) The company may maintain the current dividend policy.
  - b) The company may pay a constant dividend of Rs. 6 per share.
  - c) The company may start with a dividend of Rs. 5, which may grow at 10 percent.
  - d) The company may start paying a dividend of Rs. 4, which may grow at 15 percent for first five years and at 8 percent thereafter.

His financial advisors predict different share price of Rs. 150, Rs. 130, Rs. 100 and Rs. 75 respectively for four alternatives after ten years. What should the investor do, if his required rate of return is 12 percent ?

---

Reg. No.

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



**3 F2**

**Third Semester M.B.A. Degree Examination, December 2013**  
**BUSINESS ADMINISTRATION**  
**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 **each** question should **not** exceed **5** pages.

1. Discuss the characteristics of various investment avenues.
2. What is company analysis ? What are the factors that have to be considered in this analysis ?
3. What is weak form market efficiency ? What are the tests used for testing the weak-form of market efficiency ?

**SECTION – B**

**(3×12=36)**

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

4. Discuss the various stock market indices, their importance and the methodology of the construction of these market indices.
5. Discuss how the technical analysis is useful in stock market analysis.
6. Following data is available to you as a portfolio manager :

<b>Security</b>	<b>Expected returns</b>	<b>Beta</b>	<b>Standard Deviation</b>
A	0.32	1.7	0.50
B	0.30	1.4	0.35
C	0.25	1.1	0.40

P.T.O.



D	0.22	0.95	0.24
E	0.20	1.05	0.28
F	0.14	0.70	0.18
NYSE	0.12	1.00	0.20
T Bill	0.08	0	0

- Draw the SML. Plot each stock on your graph.
- In terms of an SML which of the security are overvalued/undervalued? Give reasons.
- What is your opinion about selecting those stocks with highest returns for portfolio construction?

7. The following data is offered on two stocks :

Stock	Expected return (percent)	Standard Deviation (Percent)
X	10	4
Y	16	8

The correlation between the two stocks is  $-1.0$ .

- Determine the expected return and risk on the following combinations of these two stocks :

	% Stock W	% Stock X
a.	70	30
b.	50	50
c.	30	70
d.	10	90

- Comment on the returns and risk for the above combinations.
  - Suppose the correlation co-efficient is  $+1$ , would the above returns and risk change for the percentages given in (a) above? Show the changed returns and risks.
8. What is the value of a call option and put option on a non-dividend-paying stock when the stock price is Rs. 152, the strike price is Rs. 150, the risk free interest rate is 10 percent per annum and the volatility is 30 percent per annum and the time to maturity is three months?



**SECTION – C  
(Compulsory)**

**(1×14=14)**

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

9. The following data is available to you

<b>Quarters</b>	<b>CNX NIFTY Stock Index Fund Index levels</b>	<b>Price of Wonder Portfolio in the stock exchange</b>
1	5200	100
2	5100	130
3	5400	153
4	5600	119
5	5750	132
6	5600	138
7	5790	139
8	5890	136
9	5940	145
10	5975	155
11	5925	170

The T-Bill rate for the above period averaged 8 percent per annum. You are required to evaluate the above two portfolios using Sharpe, Treynor, Jensen, and Fama methods and interpret the results.

---

Reg. No.

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

3 F2



**Third Semester M.B.A. Degree Examination, December 2013**  
**(Repeaters)**  
**BUSINESS ADMINISTRATION**  
**Security Analysis and Portfolio Management**

Time : 3 Hours

Max. Marks : 75

**Note : Answer all Sections.**

**SECTION – A**

Answer **any two** questions. **Each** question carries **12** marks. Answer to the question should not exceed **6** pages. **(2×12=24)**

1. Investment and speculation are somewhat different and yet similar in certain respect. Explain.
2. "Primary and secondary markets are complementary to each other but their organizational set up are different". Explain.
3. Discuss the SEBI's guidelines related to mutual funds.

**SECTION – B**

Answer **any three** questions. **Each** question carries **12** marks. Answer to the question should not exceed **6** pages. **(3×12=36)**

4. What is fundamental analysis ? How does it differ from technical analysis ?
5. "Stock prices are like random numbers". Examine.
6. Find out the standard deviation of portfolio. Wherein  $X_A : X_B = 0.5 : 0.5$ , when  $r = +1$  and  $r = 0.7$ .

Securities	Mean	Std. deviation
A	0.2	0.1
B	0.2	0.1

P.T.O.





7. An investment company manages a stock fund consisting of four stocks with the following market values of betas.

Stock	Market Value Rs.	Beta
Apple	2,00,000	1.16
Bell	1,00,000	1.20
Shell	1,50,000	0.80
Dell	50,000	0.50

If the risk free rate of interest is 9% and the market return is 15%, what is the portfolio's expected return ?

8. Stocks of Disha and Nisha have yielded the following returns for the past two years.

Year	Return%	
	Disha	Nisha
2009	12	14
2010	18	12

- a) What is the expected return on portfolio made up of 60% and 40% respectively ?  
 b) Find out the standard deviation of each stock.

### SECTION – C

15

Answer to the question should not exceed 6 pages.

#### Compulsory

9. Amir is considering the purchase of three securities A, B and C for the next year. The returns of the securities depend on next year's state of the stock market. The estimated rates of return are shown below :

State of market	Probability	Rate of Return		
		A	B	C
Recession	0.25	10%	9%	14%
Average	0.50	14%	13%	12%
Boom	0.25	16%	18%	10%

- a) Find each stock's expected rate of return, standard deviation and co-efficient of variation.  
 b) What are the covariances between security A and B, B and C and A and C ?

Reg. No.

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



**3 H1**

**Third Semester M.B.A. Degree Examination, December 2013**  
**BUSINESS ADMINISTRATION**  
**Human Resource Development**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**

**(Compulsory)**

**(1×15=15)**

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

1. "HRD focuses on the central goal of developing human potential in every aspect of life long-long learning." Critically analyse the statement.

**SECTION – B**

**Note :** Answer **any five** questions. **Each** question carries **8** marks. Answer for **each** question should **not** exceed **five** pages. **(5×8=40)**

2. Write a critical note on Human Development Index.
3. What do you mean by developmental supervision ? Explain the process of developmental supervision.
4. What are the techniques of performance management ?
5. How quality of work life is a subsystem of HRD ? Explain its relevance in Indian industries.
6. Bring out the HRD climate in Indian enterprises.
7. Explain organisational development with Blake Mouton and Abad's models.
8. Elaborate the learning process of individuals. Explain learning theories.
9. Discuss the significance of employee participation and empowerment in HRD.

**P.T.O.**



## SECTION – C

(Compulsory)

(1×15=15)

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

**10. Case Analysis :**

Baba Toy Stores is an all India chain of stores specializing in toys and 'learning through games' items for children in the age group of four to fifteen years. International Game Learning Limited is the parent company controlling the chain. The company lays special emphasis on safety and customer service for its end users; the children. The company organizes training modules for parents and children whenever a new item is introduced and insists that every child, who is likely to use the toy, be briefed about its functioning before he/she leaves the store.

The company policy is to ensure that the best and most suitable candidates are selected for the different assignments of sales persons. Statistics with HRD Department show that, on an average, six applicants have to be examined/ interviewed before one suitable candidate is recruited. The selected employee has to undergo an orientation programme before he/she is allowed to work in the store. It then becomes obvious that the cost incurred on each sales person before he/she becomes useful is fairly high though it cannot be ignored that the turnover rate is rather high, in spite of these expenses. The management is very worried and is keen to find ways and means to avoid this expenditure which is being wasted.

The problem has come into serious focus as the company is planning to establish seven more stores in the ever growing number of metros. The company management recognizes that the job of an ordinary sales person needs a large amount of patience, an understanding of the product, knowledge of competitive market and ability to phantom the real needs of the client. However, in case of children toys, these characteristics assume critical proportions. The sales person should be able to answer endless queries of the children, satisfy their apprehensions, and be sociable and energetic to tackle the young clients. The call for excellent and uncompromisingly high customer service standards results in many new recruits leaving within a year of their training and appointment.

A consultant was hired by International Game Learning Limited to find a solution for rate of turnover. Increasing the pays was ruled out to be a solution. The consultant felt that peer pressure could be tried. All the sales persons were



formed into teams. Each team had a distinct responsibility. It was surprisingly found that the turnover rate came down considerably. The consultant suggested that to reinforce the team spirit and peer pressure, a group incentive scheme could be introduced. Encouraged by the results of team working, the management readily agreed. It became, however, necessary to work out details of how this scheme should operate. Many suggestions were received. It was proposed that incentive should depend on the number of complaints received against a team; others felt that turnover rate should be the yardstick and yet others suggested that profitability/sales achieved due to the actions of the team should determine the incentive earned by the team.

Management has invited all the teams to make presentations about the group incentive system proposed by them. The consultant is to be the judge. The winning team will be awarded a three days paid trip to Vaishnodevi Shrine. What alternatives will you consider and what should be the winning group incentive scheme as per your opinion? Give reasons for your recommended solution.

---

Reg. No.

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

3 H2

**Third Semester M.B.A. Degree Examination, December 2013**  
**BUSINESS ADMINISTRATION**  
**Industrial Relations**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**  
**(Compulsory)**

**Note :** Answer to the questions should **not** exceed **six** pages : **(1×15=15)**

1. Explain the concept of 'Industrial Relations' and examine the nature and scope of Industrial Relations in India in the light of Liberalization and Globalization of the economy.

**SECTION – B**

**Note :** Answer **any five** questions. **Each** question carries **eight** marks. Answer to the question should **not** exceed **5** pages. **(5×8=40)**

2. Discuss the factors affecting Industrial relations.
3. Illustrate with suitable example the relevance of participative management in reducing the prosperity of disputes in the Indian industrial environment.
4. Why Collective Bargaining has not been successful in India ? Suggest measures to make Collective Bargaining effective.
5. Elucidate the influence of ILO on Indian Labour enactments.
6. What are the emerging challenges and trends in the trade union movement ?
7. "The passing of the Minimum Wages Act, 1948 is a land mark in the history of Labour Legislation in our country." Critically discuss.
8. Write the principles and objectives of Payment of Bonus Act 1965.
9. What are the suggestions made by National Labour Commission to promote good Industrial relations ? Briefly explain.

P.T.O.



SECTION – C  
(Compulsory)

**Note :** Answer to the questions should **not exceed six pages :**

**(1×15=15)**

10. The S T Electronics in Hyderabad has received a petition signed by seventy percent of women employees requesting the company to provide a day care center for children of working mothers. There is a Union which is not supporting this proposal. The company denying this benefit to working mothers as it is expensive, management keep on increasing the women workers, but the union and the company are concerned about heavy expenditure for providing a day care center for children of working mothers.

**Questions :**

- a) What criteria you would use in evaluating the proposal for this new benefit to provide a day-care center ?
  - b) What studies would you undertake in the evaluation process ?
-

Reg. No.

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



**3 H2**

**Third Semester M.B.A. Degree Examination, December 2013  
(Repeaters)  
BUSINESS ADMINISTRATION  
Industrial Relations**

Time : 3 Hours

Max. Marks : 75

**Note : Answer all Sections.**

**SECTION – A  
Compulsory**

**(1×15=15)**

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

1. Define the term 'Industrial Relations'. Discuss the functions and responsibilities of Industrial Relations specialists.

**SECTION – B**

**(5×9=45)**

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

2. Bring out the necessary conditions for the maintenance of sound industrial relations.
3. Why do workers join trade unions ? Examine the problems encountered by the trade unions in India.
4. Write a comprehensive note on important approaches to industrial relations.
5. What is collective bargaining ? Throw light on its importance in free-rein business environment.
6. Identify the causes of industrial conflicts. Suggest effective measures to prevent industrial conflicts.
7. "Workers' participation in management in India achieved a little success". Evaluate the statement and come out with strategies to attain the objectives of workers' participation in management.

P.T.O.



8. Deliberate on the recommendations of National Commission on labour for strengthening trade unions in India.
9. What are the objectives of ILO ? Explain its functions.

**SECTION – C**  
**Compulsory**

**(1×15=15)**

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

10. Analyse the following case and answer the questions given at the end.

The Andhra Pradesh State Road Transport Corporation has been providing passenger transportation facilities since 1956. It has been extending its operation from one region to another by nationalising the private passenger transport companies on a phased manner. Presently it is operating its services in 80% of the routes in the State. It nationalised two routes in East Godavari District in the State in October, 1988. Normally it absorbs all the employees working in passenger transport companies before nationalisation and fix their wages at par with the scales of similar categories of jobs.

The pay scales in the corporation are determined on the basis of mutual agreement between the management and the recognised trade union. The scales are revised once in three years. The recent agreement came into force with effect from September, 1988. There are two classes in the drivers' category, i.e., Class I (drivers working on long distance buses) and Class II (drivers working in short distance routes).

The pay scale of Class II drivers is enhanced from Rs. 600-1,200 to Rs. 900-1,600 (with effect from September, 1988) in consequence to the latest agreement. The agreement further says that the pay scales of the drivers drawing the scale of Rs. 600-1,200 will be fixed in the scale of Rs. 900-1,600.

The corporation absorbed 10 drivers who were with the private passenger transport companies upon the recent nationalisation of two routes. The personal department fixed the scale of these 10 drivers in the scale of Rs. 600-1,200 and it rejected their plea of fixing their pay in the scale of Rs. 900-1,600 saying that only the drivers drawing the scale of Rs. 600-1,200 are now eligible to draw the new scale of Rs. 900-1,600. The corporation has set up both the grievance





machinery and the collective bargaining machinery to resolve employee problems. Then these drivers submitted this issue to the foreman who is their immediate superior. The foreman told them to raise this issue in collective bargaining with the help of trade union leaders as it is a policy issue. These drivers approached the trade union leaders and persuaded them to solve the issue. The trade union leaders included this item in the draft agenda to the collective bargaining committee to be held in January, 1989. But the collective bargaining committee deleted this item from the draft agenda saying that this issue can be settled through grievance machinery as only 10 drivers out of 3,000 drivers of the corporation are concerned with this issue

**Questions :**

- 1) Who is correct ? The personnel department or the foreman or the collective bargaining committee.
  - 2) Where do you place this issue for redressal ?
  - 3) How do you redress this grievance ?
-

Reg. No.

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



**3 M1**

**Third Semester M.B.A. Degree Examination, December 2013**  
**BUSINESS ADMINISTRATION**  
**Marketing Research and Consumer Behaviour**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**

**(1×15=15)**

**Note :** Answer the following questions. The question carries **15** marks. Answer to the question should **not** exceed **six** pages.

1. As a marketing research consultant, design a marketing research programme for Baby soap.

**SECTION – B**

**(5×8=40)**

**Note :** Answer **any five** questions. **Each** question carries **8** marks, answer to question should **not** exceed **five** pages.

2. Explain various techniques of marketing research.
3. What are the steps involved in research design ? Explain.
4. As a marketing researcher, how do you design a question for consumer durable products.
5. Explain cluster sampling method with suitable example.
6. Define test marketing. Explain merits and demerits of test marketing.
7. Explain the relationship between psychology and consumer behaviour.
8. Discuss factors influencing buying behaviour of consumer with respect to mobile handset.
9. Explain various components of attitude of consumers.

**P.T.O.**



SECTION – C  
(Compulsory)

(1×15=15)

10. Read the case and answer the questions given at the end of the case study. The question carries **15** marks. Answer to the question should **not** exceed **six** pages.

In March 2011, Cadbury India Ltd., the leader in the Indian chocolate market, came out with a new advertisement campaign, 'Khane ke baad, meethe mein kuch meetha ho jaye' (After a meal, let's have something sweet), for its main brand Dairy Milk. These advertisements received appreciation from different quarters for their fresh insights into the Indian way of life and for putting forth convincing propositions to customers to induce them to consume Dairy Milk on a daily basis. However, industry observers were of the view that these advertisements might not bring about a dramatic increase in the sales of Dairy Milk in the absence of successful new product development.

Cadbury India was the erstwhile Indian subsidiary of Cadbury Plc. Cadbury Plc., headquartered in Uxbridge, London Borough of Hillingdon, England was the second largest confectionery maker in the world. It had a sales turnover of US\$8.3 billion in 2009. A significant chunk of Cadbury Plc.'s business was generated from the emerging markets. Euromonitor International, a research firm based out of London, had reported that Cadbury Plc. derived 38% of its sales revenue from the developing markets. Its Indian subsidiary, Cadbury India, was a confectionery giant in India.

**Questions :**

- a) Analyse the current brand positioning strategy of Dairy Milk.
  - b) Analyze the impact of Dairy Milk as a dessert on its sales.
  - c) What else can be done to augment the current brand positioning strategy in driving the sales of Dairy Milk ?
-

Reg. No.

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

**3 M2**



**Third Semester M.B.A. Degree Examination, December 2013  
(Choice Based Credit System)  
BUSINESS ADMINISTRATION  
Promotion and Distribution Management**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**

**(1×15=15)**

**(Compulsory)**

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

1. Some Marketers and PR people believe that public relations should replace advertising as the primary means of introducing new products. Explain arguments in favor of and opposed to this position. What do you conclude ?

**SECTION – B**

**(5×8=40)**

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

2. In some advertising situations, a positive appeal is probably more effective. In others, a negative appeal may be best. Under what conditions would you recommend use of negative appeal and a positive appeal ?
3. Define supply chain management. What are its advantage and disadvantages ?
4. Explain the key activities involved in the Selling Process.
5. Define Ad copy. What are the essential features of a good copy ?
6. Discuss how sales promotion can be used as an acceleration tool that can speed up the selling and/or purchasing process.
7. Explain the role of advertising agency and the factors that govern its selection.
8. What criteria would you use for evaluating performance of channel member ?
9. Discuss the various methods of direct marketing.

P.T.O.



## SECTION – C

(1×15=15)

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

10. A health drink called Malt-K was manufactured by a company based in Mumbai. This beverage was consumed by children during lunch hour at school. This company also manufactured several beverages of which Malt-K had the most market share. The taste was liked by children and most parents bought it. It was reasonably priced, and was available in packets and jars. After successfully selling this product for ten years like any other product, this product too showed signs of decline. Concerned by this, the company stepped up its advertisement using multiple media. Ad was given in children's magazine. Essentially TV as a media using sports channel was chosen to show the benefit of consuming this drink by children, since sports channel was very popular. The company also found that though there was competition, it was not a threat. However, in the light of declining trend, the company wanted to give new lease of life/push to the product. Therefore, they decided to introduce some promotion measures, so as to increase the sale.

**Posers :**

- a) Suggest promotion measures to boost the sales.
  - b) Describe the Ad campaign that you would undertake to extend the life of the product.
-