VARDHAMAN COLLEGE OF ENGINEERING
(AUTONOMOUS)
Two Year MBA II Semester Regular Examinations July - 2012
(Regulations: VCE-R11)
FINANCIAL MANAGEMENT
(Master of Business Administration)

Time: 3 hours   **Max Marks: 60**

Answer any FIVE Questions. All Questions carry equal marks
All parts of the questions must be answered in one place only

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1 Describe the reasons why Profit Maximization fails to be the consistent with wealth Maximization.   12M

2 Band Box is considering the purchase of a new wash and dry equipment in order to expand its operations. Two types of options are available: a Low Speed System (LSS) with a Rs 20,000 initial cost and a High Speed System (HSS) with an initial cost of Rs 30,000.Each system has a fifteen year life and no salvage value. The net cash flows after taxes(CFAT) associated with each investment proposal are: 12M

Particulars	LSS	HSS
CFAT for years 1 through 15	Rs. 4,000	Rs. 6,000

Which speed system should be chosen by Band-Box with the help of NPV method, assuming 14 per cent cost of capital?

3 In an organization what are the problems faced in determining the Cost of Capital relevant in capital budgeting decisions?   12M

4 The following information is regarding two companies X and Y. The company X does not use any debt in its financing. The company Y has RS.1,00,000. 5% debentures in its financing, both the companies having EBIT of RS.25,000 and equity capitalization rate is 10%. Assuming the corporate tax is 50%. Calculate the value of the firm and market value of equity shares using M – M approach. Is the MM thesis realistic with respect to capital structure and value of the firm? If not, what are it main weaknesses?   12M

5 To what extent are firms able to establish definite long run dividend policies? What factors would affect these policies? Mention the methods of dividend declaration by the firm.   12M

6 From the following projections of XYZ Company Ltd. For the next year, you are required to determine the working capital required by the company.   12M
Annual Sales   Rs.14,40,000
Cost of Production   Rs.10,80,000
Raw Material purchases   Rs. 7,05,000
Monthly expenditure   Rs. 30,000
Estimated opening stock of raw material Rs.1,40,000
Estimated closing stock of raw materials Rs.1,25,000
Inventory norms:
Raw Materials – 2 months, Work in progress – ½ month and finished goods – 1 month. The firm enjoys a credit of ½ month on its purchases and allows one month credit on its sales. On sales order, the company receive an advance Rs.15,000. You may assume the production is carried out evenly through the year and minimum cash balance desired to be maintained is Rs.35,000.

7 What is the need of Cash Management? Explain different models of Cash Management.   12M

8 Define Economic Order Quantity (EOQ). Explain with a suitable example along with its importance and limitations.   12M

VARDHAMAN COLLEGE OF ENGINEERING
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Two Year MBA II Semester Regular Examinations July - 2012
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MARKETING MANAGEMENT
(Master of Business Administration)

Time: 3 hours   **Max Marks: 60**

Answer any FIVE Questions. All Questions carry equal marks
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1	Does marketing orientation impact business performance? Discuss.	12M
2	It is always better to hire a professional marketing research firm rather than engaging one's own staff for this purpose. Comment.	12M
3	Discuss prominent changes in various demographic segments that have affected business globally.	12M
4	What do you mean by Environment scanning? Explain in detail about the constituents of Macro and micro environment forces.	12M
5	Develop marketing strategies in different stages of product life cycle of 'Solar Car'	12M
6	Examine the role of promotion for effective marketing of a newly entered Mobile company.	12M
7	What is meant by market segmentation? Discuss in detail about the steps to be followed in market segmentation.	12M
8	What is a choice criterion? How does a consumer formulate choice criteria for evaluating alternatives? Discuss each criteria in detail, with relevant examples.	12M

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Two Year MBA II Semester Regular Examinations July - 2012
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HUMAN RESOURCE MANAGEMENT
(Master of Business Administration)

Time: 3 hours   **Max Marks: 60**

Answer any FIVE Questions. All Questions carry equal marks
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1	Define Human Resource Management. Discuss the importance and objectives of Human Resource Management.	12M
2	Explain Human Resource planning concept and the process.	12M
3	Explain the sources of recruitment in the globalised era.	12M
4	Explain the training needs and requirements of managers and non-mangers under the conditions of challenges and changes.	12M
5	Performance appraisal is essential to employee performance through Human Resource Management. Elaborate various methods.	12M
6	Explain the challenge of compensation of specific groups. How dual goals of organization and employee personal goals are net.	12M
7	What is collective bargaining? Explain the process of effective bargaining in any organization.	12M
8	Discuss the causes and consequences of industrial disputes in Indian business environment.	12M

VARDHAMAN COLLEGE OF ENGINEERING
(AUTONOMOUS)
Two Year MBA II Semester Regular Examinations July - 2012
(Regulations: VCE-R11)
PRODUCTION AND OPERATIONS MANAGEMENT
(Master of Business Administration)

Time: 3 hours   **Max Marks: 60**

Answer any FIVE Questions. All Questions carry equal marks
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1	Write a brief note on (i) Historical Evolution of Production and Operations Management(POM) and (ii)Responsibilities of Production Manager.	12M
2	What is meant by Facilities management and explain its benefits.	12M
3	"Mixed strategies are always superior to pure strategies in an aggregate production planning exercise". Comment on this statement.	12M
4	What is a job shop? Outline and describe the critical parameters of the job shop scheduling problem.	12M

5 Calculate the standard time per unit produced given the following data obtained by a work   12M
   sampling study.
   - Total No. of observations   = 2500
   - No. of working observations   = 2100
   - No. of units produced in 100 hours = 6000
   - Proportion of manual labour   = 2/3
   - Proportion of machine time   = 1/3
   - Observed rating factor   = 115%
   - Total allowances   = 12% of normal time

6	How do control charts differ from acceptance sampling plans? Under what circumstances is each appropriate?	12M
7	Explain the Concepts of(i) PERT and(ii) CPM , by illustrating with Examples and drawing the networks .	12M
8	Explain briefly(i) Material Requirement Planning(MRP) and (ii)Just In Time Production System(JIT).	12M

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QUANTITATIVE DECISIONS FOR BUSINESS ANALYSIS
(Master of Business Administration)

Time: 3 hours   Max Marks: 60

Answer any FIVE Questions. All Questions carry equal marks
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1 Define problem of operations research. Explain its typical application areas.   12M

2 a) Formulate mathematical form (Structure) of Linear Programming Problem.   5M
   b) Solve following Linear Programming Problem using graphical method.   7M

   Maximize $Z = 2X+3Y$
   Subject to $X+Y \leq 30$
   $X - Y \geq 0$
   $Y \geq 3$
   $0 \leq X \leq 20$
   $0 \leq Y \leq 12$

3 A manufacturer has distribution centres located at Delhi, chennai and Hyderabad. These   12M
   centres have available 40, 20 and 40 units of his product. His retail outlets require the
   following number of units: A – 25, B – 10, C – 20, D – 30, E – 15.
   The shipping cost per unit in rupees between each centre and outlet is given in the table:

Distribution Centre	Retail Outlets				
	A	B	C	D	E
Delhi	55	30	40	50	50
Chennai	35	30	100	45	60
Hyderabad	40	60	95	35	30

   Determine the optimal shipping cost.

4 A plant manager is considering replacement policy for a new policy. He estimate the   12M
   following costs (all costs in rupees):

Year:	1	2	3	4	5	6
Replacement cost at the beginning of the year:	100	110	125	140	160	190
Resale value at the end of the year:	60	50	40	25	10	0
Operating costs:	25	30	40	50	65	80

   Find an optimal replacement policy and corresponding minimum cost.

5 a) Write down the different assumptions of game theory. Briefly explain its importance   6M
       towards business decisions.
   b) Solve the following games by using maximin (minimax) principle whose pay off matrix   6M
       are given below. And answer the following:
          i.   Select strategy for each player.
          ii. The value of the game to each player

		Player B			
		B1	B2	B3	B4
Player A	A1	1	7	3	4
	A2	5	6	4	5
	A3	7	2	0	3

6 a) Write short notes on: 6M
          i.   States of nature and payoff
          ii. Laplace Criterion
   b) The ABC Company manufacture guaranteed tennis balls. At present, approximately 10   6M
       percent of the tennis balls are defective. A defective ball leaving the factory costs the
       company Rs.0.50 to honour its guarantee.   Assume that all defective balls are
       returned. At a cost of Rs. 0.10 per ball, the company can conduct a test, which always
       correctly identifies both good and bad tennis balls.
       Draw a decision tree and determine the optimal course of action and its expected cost.

7 Workers come to tool room to enquire about special tools (required by them). The average   12M
   time between two arrivals is 60 seconds and the arrivals are assumed to be in poisson
   distribution. The average time of the tool room is 40 seconds. Determine.
          a. Average length of the queue.
          b. Average number of workers in system including the worker being attended.
          c. Mean waiting time of arrival.
   Average waiting time of an arrival who waits.

8 What is simulation? Describe steps involved in carrying out Monte Carlo Simulation.   12M

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Two Year MBA II Semester Regular Examinations July - 2012
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LOGISTICS AND SUPPLY CHAIN MANAGEMENT
(Master of Business Administration)

Time: 3 hours   **Max Marks: 60**

Answer any FIVE Questions. All Questions carry equal marks
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1	Describe how a company achieves strategic fit between its supply chain strategy and its competitive strategy.	12M
2	Discuss the factors that stimulate the logistics service alliances.	12M
3	What is distribution network design? Discuss the role and factors influencing the choice of network design.	12M
4	Discuss role of Forecasting in Supply Chain. Brief the forecasting methods.	12M
5	Identify the factors affecting the optimal level of product availability and evaluate the optimal performance level.	12M
6	Explain different types of internet B2B exchanges used for e-procurement. How they improve the supply chain performance?	12M
7	Explain the importance of pricing in supply chain management and elucidated various type of pricing approaches that generate maximum profit.	12M
8	Write short notes on any four of the following	12M

8.
   a. Sunk Cost
   b. Taguchi Method
   c. Target Costing
   d. ISO 14000 Series Standards
   e. E-Procurement
   f. APS