



# Narasaraopeta Engineering College (Autonomous)

Kotappakonda Road, Yellamanda (P.O), Narasaraopet- 522601, Guntur District, AP.

Subject Code: R16MBA201

MBA - II Semester Regular and Supplementary Examinations, May-2019.

## FINANCIAL MANAGEMENT

Time: 3 hours

Max Marks: 60

Question Paper Consists of Part-A and Part-B.

Answering the question in Part-A is Compulsory & Four Questions should be answered from Part-B  
All questions carry equal marks of 12.

### PART-A (CASE STUDY)

1 X 12 = 12

1. The Capital Structure of a Limited company is as follows:

	Rs.
Equity Share Capital (1,00,000 shares)	20,00,000
5% Preference Shares	5,00,000
6% Debentures	15,00,000

The market price of the company's equity shares is Rs.20. It is expected that the company will pay a current dividend of Rs.3 per share which will grow at 8% for ever. The tax rate may be presumed at 50%. Calculate the following:

- A Weighted Average Cost of Capital based on existing capital structure.
- The new weighted average cost of capital in case the company raises an additional Rs.10,00,000 debt by issuing 8% debentures. This would result in increasing the expected dividend to Rs.4 and leave the growth rate unchanged but the price will fall to Rs.15 per share.
- The cost of capital if in (b) above, growth rate increases to 10%.

### PART-B

4X 12 = 48

- What is Financial Management? Distinguish between wealth maximization and profit maximization.
- Define and explain the following with their respective merits and demerits: (a) Average Rate of Return (ARR); (b) Net Present Value (NPV).
- What do you understand by capital structure of a firm? Critically examine the Net Income Approach and Net Operating Income Approach.
- A company issues 10% Debentures for Rs.1,00,000. Rate of tax is 50%. Calculate the Cost of Debt (before and after tax) if the debentures are issued at (i) par; (ii) 10% discount and (iii) 10% premium.
- Write short note on (a) Operating Cycle (b) Working Capital Forecasting (c) Working Capital Analysis.
- What do you understand by Dividend Policy? Explain the assumptions of Modigliani – Miller's Approach and Walters Approach on Dividend policy.

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**Subject Code: R16MBA202**

**MBA - II Semester Regular and Supplementary Examinations, May-2019.**

**HUMAN RESOURCE MANAGEMENT**

**Time: 3 hours**

**Max Marks: 60**

Question Paper Consists of **Part-A** and **Part-B**.

Answering the question in **Part-A** is Compulsory & Four Questions should be answered from Part-B

All questions carry equal marks of 12.

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## PART-A (CASE STUDY)

**1 X 12 = 12**

Godavari Fertilizers Ltd., - the biggest Fertilizer Company in the country – was established by the Government way back in 1981. Several Management Experts in the country were appointed as the directors of the board to run the company in a professional way. The company constituted a team of specialists to develop and administer tests and interviews to select candidates for the post of Deputy General Manager (Marketing). The team has selected a promising candidate Mr. Naveen, a Post-Graduate in Statistics and a D.Litt degree holder from USA as Deputy General Manager (Marketing) for southern area after administering a battery of tests scientifically. Mr. Rakesh, an MBA from a reputed University, with 10 years experience in similar field was not selected as his score in some tests was below the cutoff point and overall score was less than that of Mr. Naveen. However, Mr. Rakesh was employed as Deputy General Manager (Marketing) in Charitha Fertilizers Limited, Hyderabad without administering any tests. M/s Charitha Fertilizers Limited is a medium scale organization and its market share was only 10% in the southern region, where as Godavari Fertilizers Limited was enjoying 50% of the market share in the south in 1991, when Mr. Naveen took charge.

Mr. Rakesh has been the in charge of the southern region since 1991. It is said that the increase in market share from 10% to 60% during 1991 to 2004 and Mr. Naveen has been made responsible exclusively for this situation.

The Board of Directors of Charitha Fertilizers Limited knew the reasons for the success of Mr Rakesh, whilst the Board of Directors of Godavari Fertilizers Limited appointed a Committee to go into the matter of validity and reliability of tests.

Question

- 1) Do you attribute the failure of Mr. Naveen to tests? If yes, How?

## PART-B

**4X 12 = 48**

2. (a) Define the term Human Resource Management. How it differs with Personnel Management  
(b) Explain the qualities and qualifications necessary for a HR Manager.

3. (a) What is job analysis?

- (b) What are the principal methods that can be used to analyse jobs? What method would you prefer? Why?

4. (a) Explain the importance of Performance Appraisal.  
(b) Why has Performance Appraisal taken an increased significance in current times also?
5. (a) Define Fringe benefits  
(b) Explain its importance with suitable examples.
6. (a) What is Personnel Audit? Explain its objectives  
(b) What are the different areas where personnel audit is to be undertaken in an organisation?
7. (a) What is selection? Bring out the types and purposes of employment tests.  
(b) Explain the induction process.

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**Narasaraopeta Engineering College (Autonomous)**  
Kotappakonda Road, Yellamanda (P.O), Narasaraopet- 522601, Guntur District, AP.

**Subject Code: R16MBA203**

**MBA - II Semester Regular and Supplementary Examinations, May-2019.**

**MARKETING MANAGEMENT**

**Time: 3 hours**

**Max Marks: 60**

Question Paper Consists of **Part-A** and **Part-B**.

Answering the question in **Part-A** is Compulsory & Four Questions should be answered from **Part-B**  
All questions carry equal marks of 12.

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**PART-A (CASE STUDY)**

**1X 12 = 12**

1. Mr. Sanjeev Varma Rajan, B.Tech from JNTU with MBA from IIM and is NRI based at Chicago. Government of India appealed to all NRIs to invest in business in India. He found the offer attractive enough to come back to India and serve his countrymen too. Dr. VKRV Pandya one of his friends and a renowned cardiologist, joined him as a business partner and they decided to set up a cardiology centre. Dr. AR Vinayak, a specialist in surgery of heart valves agreed to associate himself with them on a very high salary.

After consultation with each other, all the details of the project were prepared and construction work of the Varma Heart Centre started and got completed within a year's time with most modern facilities and imported equipments. Mr. Varma entrusted the work of recruitment and selection of staff to one of his relatives and enough publicity was given.

Initially, the response was very good and there were number of patients coming to consult due to renowned cardiology and low charges. The performance of Varma Heart Centre was excellent with overall turnover of Rs.100 crore in 1994-95. In 1995 Apollo Heart Centre was established with equity of Rs.100 crore. It followed aggressive marketing strategies and is managing the centre using modern corporate governance strategies. In 1995-96, the number of Dr. Vinayak left the centre and their business came to almost closure.

**Questions:**

1. What are the main reasons for the leaving of Dr. Vinayak?
2. What marketing strategies do you recommend for Varma Heart Centre?
3. What are the factors for the almost closure of Varma Heart Centre?

**PART-B**

**4X 12 = 48**

2. (a) What is essence of Marketing?  
(b) Explain various functions of Marketing?
3. (a) What do you mean by market segmentation? What is its basis?  
(b) Explain product positioning and Brand positioning

4. (a) What are the important features of a product? Explain the product classification.  
(b) Explain the steps involved in new product development.

5. (a) What do you mean by pricing? Explain its process  
(b) What are the alternative pricing strategies available to the marketer who wants to introduce a new product in a highly competitive market?

6. (a) Define sales promotion. How is it different from product promotion?  
(b) Explain various steps involved in sales promotion.

7. (a) Planning without control is an empty exercise – Discuss  
(b) Compare and contrast different types of Marketing control.

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Subject Code: R16MBA204

**MBA - II Semester Regular and Supplementary Examinations, May-2019.**  
**PRODUCTION AND OPERATIONS MANAGEMENT**

**Time: 3 hours**

**Max Marks: 60**

Question Paper Consists of **Part-A** and **Part-B**.

Answering the question in **Part-A** is Compulsory & Four Questions should be answered from Part-B

All questions carry equal marks of 12.

**PART-A (CASE STUDY)**

**1 X 12 = 12**

1. The results of inspection of 10 samples with its average and range are tabulated in the following table.

Compute the control limit for the  $\bar{X}$  and R-chart and draw the control chart for the data.

<b>Sample No.</b> <b>(Sample Size 5)</b>	<b>X (mean)</b>	<b><u>R ( Range)</u></b>
1	7.0	2
2	7.5	3
3	8.0	2
4	10.0	2
5	9.5	3
6	11.0	4
7	11.4	3
8	4.0	2
9	3.5	3
10	4.0	2

**PART-B**

**4X 12 = 48**

2. What do you mean by 'Production'? Explain the different types of production systems.
3. (a) What do you understand by 'Centralised Production Planning and Control'? Give its advantages.  
(b) Explain Reactive, Preventive and Predictive Maintenance.
4. (a) What are the various types of layouts ? Explain and give their relative advantages  
(b) Discuss the various factors to be considered in deciding the location of a plant.
5. Briefly explain the following: (a) Just in Time (JIT) (b) Factors affecting Productivity (c) Business Process Reengineering (BPR)
6. (a) What are basic components of an inventory system?  
(b) Explain the term inventory. How would you classify it?
7. How do you define the term Quality? Explain the difference between quality control and quality improvement

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Subject Code: R16MBA205

MBA - II Semester Regular and Supplementary Examinations, May-2019.

## ORGANISATIONAL BEHAVIOUR

Time: 3 hours

Max Marks: 60

Question Paper Consists of **Part-A** and **Part-B**.

Answering the question in **Part-A** is Compulsory & Four Questions should be answered from Part-B

All questions carry equal marks of 12.

### PART-A (CASE STUDY)

1 X 12 = 12

Kamalesh did his MBA from I.I.M., Bangalore and joined his father's business, which employed 60 semi-skilled workers and five supervisors. After one week, his father called him and said, "Kamalesh, I have had a chance to observe your working with the men and women for the past few days. Although I hate to, I must say something. You are just too nice to people. I know they taught you human relations stuff at the I.I.M., but it just does not work here. I remember, when the Hawthorne studies were first reported, everyone in the academic field got all excited about them. But, believe me, there is more to managing people than just being nice to them."

Questions

1. Do you think, Kamalesh's father understood and interpreted the Hawthorne studies correctly?
2. If you were Kamalesh, what would your reaction be to your father's comments?
3. Is it possible to be nice to employees and achieve higher productivity? How?

### PART-B

4X 12 = 48

2. (a) How does the study of Organisational Behaviour (OB) help in meeting the future challenges of a Manager?  
(b) Discuss contribution of different disciplines to the study of OB
3. (a) What is organizational culture and explain its features  
(b) How does Organisational culture develop? What are the common steps that occur?
4. (a) What are the various implications of perception for Management discipline  
(b) What is the importance of perception from view point of OB. Explain the perceptual process?
5. (a) Explain the personality traits that shape the behaviour of individuals.  
(b) Discuss the concept of personality. How does it determine the behaviour of an individual?
6. (a) Discuss the nature and characteristics groups in an organisation.  
(b) "Both formal and informal groups are necessary for the group activity just as to blades are necessary to make a scissor workable"- comment.
7. (a) What do you mean by organizational change? What are the major internal and external forces for change in an organisation.  
(b) "People sometimes resist change for the sake of resistance" – comment





**Subject Code: R16MBA206**

**MBA - II Semester Regular and Supplementary Examinations, May-2019.**  
**E-BUSINESS (ERP & E-COMMERCE)**

**Time: 3 hours**

**Max Marks: 60**

Question Paper Consists of **Part-A** and **Part-B**.

Answering the question in **Part-A** is Compulsory & Four Questions should be answered from Part-B  
All questions carry equal marks of 12.

**PART-A (CASE STUDY)**

**1 X 12 = 12**

1. As with any initiative, which impacts so many areas, Dofasco has come across some roadblocks. The integration of business processes, vision and technology has provided some interesting challenges. Constantly changing customer requirements have also impacted these initiatives. According to Dofasco, “customers appreciate our willingness to embrace these new concepts and our assisting them in reducing their costs”.
  - The Dofasco e-business experience highlights some key issues when considering e-business. The importance of revitalizing supply chain business processes. These processes must be put under the same scrutiny that many companies have done with their internal processes, because there may be a larger payback.
  - In order to achieve maximum benefits an appropriate mix of new or revised business processes, and new technology must be deployed. This means that for those companies implementing e-business solutions, that the standard way of doing business will likely need to change, and new investments in technology required, in order to maximize the benefits.
  - Efforts must be made to standardize electronic communications as much as possible.
  - Companies must be relentlessly innovative and willing to take some risks in order to achieve better supply chain performance.

Discuss the challenges faced by Dofasco

**PART-B**

**4X 12 = 48**

2. Define Enterprise Resource Planning (ERP). Elucidate the ERP Life Cycle.
3. Distinguish between a Vendor and a Consultant. Describe the role of vendors.
4. Explain the various business modules of ERP.
5. How you differentiate the Traditional Commerce with Electronic Commerce?
6. Describe the following:
  - (a) Business to Consumer (B2C)
  - (b) Business to Business (B2B)
7. Elucidate the Electronic Payment System. Narrate the risks in Electronic Payment System.

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