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Course Code: 16MBA102

MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE, MADANAPALLE
(UGC-AUTONOMOUS)

MBA I Year I Semester (R16) Regular End Semester Examinations –January 2017
MANAGERIAL ECONOMICS

Time: 3Hrs

Max Marks: 50

Attempt all the questions. All parts of the question must be answered in one place only.
In Q.no 1 to 5 answer either Part A or Part B only. Q.no 6 which is a case study is compulsory.

Q.1(A) Discuss nature and scope of Managerial Economics. 8M

OR

Q.1(B) Explain Baumol's theory of sales maximization. 8M

Q.2(A) Elucidate law of Demand. Discuss the relationship between Price elasticity of demand, Marginal revenue and Price 8M

OR

Q.2(B) Sales of XYZ Company for the last five years are given below. Estimate the sales for 2017 & 2018 using least squares method assuming the sales follows linear trend 8M

Year	2011	2012	2013	2014	2015
Sales(RS'000)	15	18	12	13	17

Q.3(A) Explain utility of Production function. Discuss least cost combination of inputs 8M

OR

Q.3(B) Elaborate the determinants of cost. Explain cost- output relationship in the short run. 8M

Q.4(A) Explain price- output relationship in perfect competition 8M

OR

Q.4(B) Discuss a) Price discrimination with examples 8M
b) Loss leader Pricing with examples

Q.5(A) Explain any two methods of determination of national income 8M

OR

Q.5(B) Discuss the significance of consumer price index 8M

Case Study

Q.6

The following are the cost and sales data of a manufacturer selling three products P,Q, and R:

10M

Product	Selling Price per unit	Variable cost per unit	Percent of rupee Sales Volume
P	Rs.4	Rs.3	20
Q	Rs.5	Rs.4	30
Q	Rs .6	Rs.5	50

Capacity of the manufacturer : Rs 12,00,000 Total sales volume

Annual Fixed Cost : Rs 2,00,000

1. Find the Break Even Point in Sales Volume.
2. Calculate profit or loss at 80% Capacity.

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MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE, MADANAPALLE
(UGC-AUTONOMOUS)

MBA I Year I Semester (R16) Regular End Semester Examinations –January 2017
BUSINESS ENVIRONMENT

Time: 3Hrs

Max Marks: 50

Attempt all the questions. All parts of the question must be answered in one place only.
In Q.no 1 to 5 answer either Part A or Part B only. Q.no 6 which is a case study is compulsory.

Q.1(A)	Distinguish between internal & external business environment operating on a company.	8M
OR		
Q.1(B)	Discuss how industrial policy of 1991 is considered to be a departure from previous industrial policies of India.	8M
Q.2(A)	Discuss the important causes of the BoP disequilibrium and measures to correct the disequilibrium.	8M
OR		
Q.2(B)	Explain the trends and challenges in globalization.	8M
Q.3(A)	Describe the role of public revenue and public expenditure of the union government.	8M
OR		
Q.3(B)	Discuss the highlights of the 2016-17 union budget.	8M
Q.4(A)	Analyze the factors affecting money supply in India.	8M
OR		
Q.4(B)	Discuss the role of finance commission in India.	8M
Q.5(A)	Discuss the characteristics and various instruments of Indian money market.	8M
OR		
Q.5(B)	Describe the consumer protection act of 1986.	8M
Q.6	Case Study	

Globalization Strategy of Airfone for Japan

As the world's leading mobile telecommunications company, Airfone group, a British company, has a significant presence in Europe, the Middle East, Africa, Asia Pacific and the US through the company's subsidiary undertakings, Joint Ventures, associated undertakings and investments. The company had a large market base. However, Airfone's road to success was not always smooth. Its five years of struggle in Japan prove that global marketing does not necessarily mean that a global company can treat all markets in the same manner. In essence, think globally and act locally.

10M

After entering the Japanese market in 2001 by taking over Hphone Co., a local cellular provider, Airfone saw its reputation slip with its handsets being viewed dull and service, second react. Airfone was focused on building a global brand and cutting costs by producing large number of handsets to sell throughout the world. In Japan, however, this came at the expense of products and services to suit

the nation's tech-savvy consumers. In 2004, Airfone's unit in Japan, Airfone HH, became the first of the three carriers to report a monthly net loss of customers as compared to the previous year. Four years after its entry into Japan, Airfone ended up being slower than Japanese rivals to roll out flashy new handsets and competitive price plans. It failed to garner market share, lagging far behind two of Japan's major cellular carriers, NTT DCK and KDDT. The two winners simply outthrusted Airfone by coming up with cooler designs and efficient customer service. These brands attracted plenty of buzz with a high-speed music download service, for instance.

Airfone's struggle in Japan shows that it is not always an advantage to act like a big global player. For a long time, Airfone HH had been accustomed to getting management directives from its London headquarters. After its steady decline in Japan from 2001 to 2005, Airfone's Japanese unit realized that more ideas should have originated in Japan, instead of trying hard to sell European handsets in the Japanese market. In early 2005, Airfone dispatched Bill Richard (the then President of Airfone UK) to Tokyo to run its Japan operations with a largely modified marketing strategy. There were signs that Airfone did make some headway in Japan after that with its transition from 2G to 3G, a greater range of new tailored handsets and services, improved content and a stronger network, as was reflected by numbers: In January 2005, Airfone lost 59,000 subscribers on a net basis, an alarming figure. One year after that, by comparison, it pulled in 17,600 subscribers after signing up 63,700 subscribers in December 2005. That pushed total subscribers above the 15.1 million mark. However, the company's revival in Japan was not easy after the initial loss, largely due to lack of local attention.

In spite of its Endeavour to recover its Japanese market share, by early 2006, Airfone was still far behind its rivals with a market share of 16.7 percent compared to 24.1 percent for KDDT brand and 55.8 percent for DCK. As part of its closure, on March 17, 2006, Airfone sold its 97.7 percent holding in Airfone Japan to Soft Bank, which planned to get into cellular services in 2007, for \$15.5 billion. With this deal, Airfone finally relieved its executives of trying to fix a unit with sinking profitability and little hope of catching up with its rivals.

Discussion Questions:

1. Why would a firm such as Airfone need to put in place a global marketing strategy even though its product development and marketing strategy needs to be localized for tech-savvy consumers in Japan?
2. What alternative strategy could Airfone have used to get a strong market position in Japan from the very beginning?
3. What implications can you draw from Airfone's loss of its Japan unit with regard to global firms' tapping into global consumers?

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MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE, MADANAPALLE
(UGC-AUTONOMOUS)

MBA I Year I Semester (R16) Regular End Semester Examinations –January 2017
FINANCIAL ACCOUNTING FOR MANAGERS

Time: 3Hrs

Max Marks: 50

Attempt all the questions. All parts of the question must be answered in one place only.
In Q.no 1 to 5 answer either Part-A or B only. Q.no 6 is compulsory

Q.1(A) Illustrate the importance of accounting assumptions with examples. 8M

OR

Q.1(B) From the following balances and additional information, you are required to prepare 8M
trial balance, trading account, profit & loss account and balance sheet.

Particulars	Amount (Rs.)
Capital	20,000
Sundry Debtors	5,400
Drawings	1,800
Machinery	7,000
Sundry creditors	2,800
Wages	10,000
Purchases	19,000
Opening stock	4,000
Bank balance	3,000
Carriage charges	300
Salaries	400
Rent and taxes	900
Sales	29,000

Additional information:

- (i) Closing Stock was valued at Rs. 1,200. (market price Rs.1600)
(ii) The machinery was re-valued at Rs.6000/-

Q.2(A) Elaborate your observations regarding charging of depreciation on different assets. 8M

OR

Q.2(B) From the following information, prepare stores ledger by adopting simple average and 8M
weighted average methods and show the closing stock.

2016	Details of stock
April, 1	Opening stock 300 units @ Rs.3 per unit.
April, 4	Purchased 600 units @ Rs.4 per unit
April, 6	Issued 500 units
April, 10	Purchased 700 units @ Rs.4 per unit

April, 15	Issued 800 units
April, 20	Purchased 300 units @ Rs.5 per unit
April, 25	Issued 100 units.

Q.3(A) Describe the options available to redeem the debentures of a company. 8M

OR

Q.3(B) The Progressive Industries Limited was registered with authorized capital of Rs. 50,00,000. The company issued 20000 equity shares of Rs.100 each payable as Rs.25 on application, Rs.25 on allotment and balance on first and final call and 10000, 9% preference shares of Rs.50 each payable as Rs.50 on application and allotment and the balance on two calls of Rs.25 each. All the shares were applied for and allotted. All the money was duly received.

Make necessary journal entries in the books of the company.

Q.4(A) Critically examine the various tools of analysis of financial statements. 8M

OR

Q.4(B) State and discuss the process of preparation of Funds flow statement. 8M

Q.5(A) 'Modern accounts are more like computer – keeping rather than book-keeping.' Explain 8M

OR

Q.5(B) Describe various types of computerized accounting packages. 8M

Q.6 Analyze the performance of the Coca-cola company based on the following results. 10M

Particulars	Coca-cola	
	2014-15	2015-16
Current ratio	1.05	1.09
Quick ratio	0.92	0.97
Inventory turnover ratio	5.90	5.80
Gross profit margin ratio	60.90	60.32
Net profit margin ratio	18.40	18.78
Operating profit ratio	21.80	24.59

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MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE, MADANAPALLE
(UGC-AUTONOMOUS)
MBA I Year I Semester (R16) Regular End Semester Examinations – January 2017
BUSINESS LAW & REGULATION

Time: 3Hrs

Max Marks: 50

Attempt all the questions. All parts of the question must be answered in one place only.
In Q.no 1 to 5 answer either Part A or Part B only. Q.no 6 which is a case study is compulsory.

- | | | |
|-----------|---|-----|
| Q.1(A) | Define consideration? What are the legal rules of consideration? | 8M |
| OR | | |
| Q.1(B) | State various ways in which a contract may be discharged? | 8M |
| <hr/> | | |
| Q.2(A) | Define the term partnership? What are the rights and duties of partners? | 8M |
| OR | | |
| Q.2(B) | What is partnership? Explain the procedure for registration of a partnership firm? | 8M |
| <hr/> | | |
| Q.3(A) | What is company? Explain various stages involved in the formation of a company? | 8M |
| OR | | |
| Q.3(B) | What are the ordinary powers of a court on making an order for the winding up of a company? What is the effect of a winding up order passed by the National Company Law Tribunal? | 8M |
| <hr/> | | |
| Q.4(A) | Briefly discuss the essential characteristics of a contract of sale of goods? | 8M |
| OR | | |
| Q.4(B) | Distinguish between a 'condition' and a 'warranty'. What conditions and warranties are implied in a contract of sale? | 8M |
| <hr/> | | |
| Q.5(A) | Explain in detail deductions from total income with examples? | 8M |
| OR | | |
| Q.5(B) | Narrate the concept of e-governance in the IT Act 2000. | 8M |
| <hr/> | | |
| Q.6 | Case Study
A enters into a contract with B for supplying 600 tonnes of coal to B within 6 months. A fails to make the delivery in accordance with the terms of the contract, owing to Government restrictions on the transport of coal from collieries but admitted that coal was available and can be purchased with some difficulty in open market. Can A successfully take the plea that the contract is discharged because of impossibility of performance? | 10M |

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MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE, MADANAPALLE
(UGC-AUTONOMOUS)

MBA I Year I Semester (R16) Regular End Semester Examinations – January 2017
(Regulations: R16)

MANAGEMENT & ORGANIZATIONAL BEHAVIOR

Time: 3Hrs

Max Marks: 50

Attempt all the questions. All parts of the question must be answered in one place only.
In Q.no 1 to 5 answer either Part A or Part B only. Q.no 6 which is a case study is compulsory.

- | | | |
|--------|---|-----|
| Q.1(A) | Is Management an Art or Science? Justify your answer by referring to some of the schools of thought on Management. | 8M |
| OR | | |
| Q.1(B) | “Every system is a subsystem to another system”. Discuss in the organizational context. | 8M |
| Q.2(A) | Explain the essential features of a good organization structure by quoting any two types of organization structures. | 8M |
| OR | | |
| Q.2(B) | ‘Organization structure’ refers to the differentiation and integration of activities and authority- Explain | 8M |
| Q.3(A) | ‘Management is essentially a process of Motivation’ elucidate the statement in the light of any two motivational theories. | 8M |
| OR | | |
| Q.3(B) | Why is study of Personality important in the context of management? Discuss trait theory of personality. | 8M |
| Q.4(A) | ‘Informal groups are evil to the organization’ – Do you agree with the statement? Why? Or why not? Contrast the formal and informal groups. | 8M |
| OR | | |
| Q.4(B) | What is Managerial Grid? How does a manager select his style according to the grid? | 8M |
| Q.5(A) | Define Organizational Culture? Explain the basic features of Organizational Culture? Distinguish organizational culture and climate. | 8M |
| OR | | |
| Q.5(B) | Explain the factors causing stress. Analyze the role of stress coping mechanisms in organizations. | 8M |
| Q.6 | CASE STUDY | 10M |
| | Sri Radhakrishna Jute Mills Pvt Ltd is established in 1992 at Kakinada, Andhra Pradesh. The company manufactures jute bags for packing of food grains and sugar and a small quantity of jute twine and yarn that are mostly sold in the domestic market across India. The company enjoys a strong reputation as a reliable manufacturer and supplier of quality jute goods all over the country more particularly in South India, where most of its products are marketed. Mr. Radhakrishna, the founder of the firm has been serving as Managing Director since its inception. Mr. Jayakanth is founder- General Manager of the company. GM is the | |

only direct report to the MD. All other managerial staff report to GM. Organizational structure indicates us the paramount role of Mr. Jayakanth. Very recently Mr. Radhakrishna departed at the age of 65 years. Mr. Hitesh, son of Mr. Radhakrishna is a professional management graduate with a reasonable industry experience is forced to occupy MD position in the company. In a few months Mr. Hitesh has come to know that the ideology is inconsistent between GM and him. Mr. Hitesh always wants to be very strategic in Marketing. Hence he took the control over the marketing function. GM is asked to look after other operations. Now Marketing Manager directly reports to the MD. This gesture of Hitesh was not welcome by Mr. Jayakanth. He resisted the change in the structure, stating that he felt that he was degraded by the move. A few senior managers also support the opinion of Jayakanth.

Answer the following questions

- i. Who do you think is right in this case- Mr. Jayakanth or Mr. Hitesh? Why?
- ii. Make out the reasons for poor mismatch of ideology between Jayakanth and Hitesh?
- iii. Suggest a remedy to solve this conflict.

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MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE, MADANAPALLE

(UGC-AUTONOMOUS)

MBA I Year I Semester (R16) Regular End Semester Examinations – January 2017

QUANTITATIVE TECHNIQUES

Time: 3Hrs

Max Marks: 50

Attempt all the questions. All parts of the question must be answered in one place only.
In Q.no 1 to 5 answer either Part A or Part B only. Q.no 6 which is a case study is compulsory.

- Q.1(A) In a survey of 100 students in a music school, the number of students learning different musical instruments were found to be; Guitar 28; Veena 30; Flute 42; Guitar and Veena 8; Guitar and Flute 10; Veena and Flute 5; all musical instruments 3 8M
- How many students were learning none of these three musical instruments?
 - How many students were learning only the Flute?

OR

- Q.1(B) Solve the following system of equations: 8M
- $$\begin{aligned} X + y + z &= 3 \\ X + 2y + 3z &= 4 \\ X + 4y + 9z &= 6 \end{aligned}$$

- Q.2(A) Calculate the mean and the median for the following data: 8M

Earnings (Rs.):	66-67	67-68	68-69	69-70	70-71	71-72
No. of persons:	15	24	40	20	14	11

OR

- Q.2(B) Calculate Bowley's co-efficient of Skewness for the following data 8M

Capital (in lakhs of Rs.):	1-5	6-10	11-15	16-20	21-25	26-30	31-35
No. of Companies:	20	27	29	38	48	53	70

- Q.3(A) Calculate Spearman's Coefficient of rank correlation for the following data: 8M

X:	57	16	24	65	16	16	9	40	48	33
Y:	19	6	9	20	4	15	6	24	13	13

OR

- Q.3(B) The lines of regression of a bivariate population are 8M

$$8x - 10y + 66 = 0$$

$$40x - 18y = 214$$

The value of standard deviation of X is 9. Find

- The mean value of x and y
- Correlation coefficient between x and y
- Standard deviation of Y

Q.4(A) i. A bag contains 4 white, 5 red and 6 green balls. Three balls are drawn at random. What is the chance that a white, a red and a green ball is drawn? 4M

ii. What is the chance that a leap year selected at random will contain 53 Sundays 4M

OR

Q.4(B) In a population of workers, suppose 40% are grade school graduates, 50% are high school graduates and 10% are college graduates. Among the grade school graduates, 10 % are unemployed; among the high school graduates, 5% are unemployed, and among the college graduate's 2% are unemployed. 8M

If a worker is chosen at random and found to be unemployed, what is the probability that he is a college graduate?

Q.5(A) If 2 percent of electric bulbs manufactured by a certain company are defective, find the probability that in a sample of 200 bulbs. 8M

- Less than 2 bulbs,
- more than 3 bulbs are defective.

OR

Q.5(B) The daily wages of 1,000 workmen are normally distributed around a mean of Rs.70 and with a standard deviation of Rs.5. Estimate the number of workers whose daily wages will be: 8M

- Between Rs. 70 and 72
- more than Rs. 75

Q.6

Case Study

10M

Two brands of tyres are tested with the following results;

Life (in '000 miles)	No of tyres of brand	
	X	Y
20-25	1	0
25-30	22	24
30-35	64	76
35-40	10	0
40-45	3	0

- Which brand of tyres has greater average life?
- Compare the variability and state which brand of tyres would you use on your fleet of trucks?

END