

MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE, MADANAPALLE
(UGC-AUTONOMOUS)
MBA II Year II Semester (R14) Regular End Semester Examinations –May/June 2016
(Regulations: R14)

ADVERTISING AND SALES PROMOTION MANAGEMENT

Time: 3Hrs

Max Marks: 60

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 which is a case study is compulsory.

Q.1(A) Discuss in detail about various objectives of advertising. 10M

OR

Q.1(B) What is advertising agency? Explain different types of advertising agencies. 10M

Q.2(A) Describe the advantages and disadvantages of radio media. 10M

OR

Q.2(B) Suggest various ways to improve the effectiveness of advertising. 10M

Q.3(A) How do you set advertising goals and objectives? Explain. 10M

OR

Q.3(B) Explain the various types of advertising copies with relevant examples. 10M

Q.4(A) Explain the role of creativity in advertisement. 10M

OR

Q.4(B) What is mobile advertising? Explain in detail with suitable examples. 10M

Q.5(A) What do you mean by public relations and publicity? Explain in detail. 10M

OR

Q.5(B) Define sales promotion and explain various methods of sales promotion. 10M

Q.6 **Case Study** 10M

Preethi Limited has been into manufacturing biscuits and is soon planning to launch chocolates for diabetic patients. The ingredients will contain extract from several grains and are low in sugar content. The range of flavor's includes apple, orange, vanilla etc., The company has decided to launch the product on all India basis.

Questions.

- i) Suggest some methods for generating ideas regarding the product attributes for the proposed range of biscuits.
- ii) List out suitable positioning strategies.
- iii) Discuss the importance of packaging and labeling decisions in launching the new product.

*** END***

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

MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE, MADANAPALLE

(UGC-AUTONOMOUS)

MBA II Year II Semester (R14) Regular End Semester Examinations – May/June 2016

(Regulations: R14)

STRATEGIC MANAGEMENT

Time: 3Hrs

Max Marks: 60

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 which is a case study is compulsory.

Q.1(A) What is core competence? Explain how core competences can be identified and leveraged to develop strategies. 10M

OR

Q.1(B) How does vision, mission statements influence formulation, implementation, evaluation and control phases of strategic management? 10M

Q.2(A) Explain GE Nine Cell Matrix. What are its strategic implications? 10M

OR

Q.2(B) "Present day Question Marks are future Cash Cows." Comment in the context of BCG growth-share matrix approach for corporate portfolio analysis. 10M

Q.3(A) Discuss concentration strategy and describe its advantages and limitations. 10M

OR

Q.3(B) What are defensive strategies? Explain any four defensive strategies with suitable examples. 10M

Q.4(A) Briefly explain the strategic considerations in mergers and acquisitions. 10M

OR

Q.4(B) What are the motives of diversification strategy? Enumerate the risks involved in unrelated diversification strategy. 10M

Q.5(A) Write a descriptive note on the nature and importance of strategic evaluation. 10M

OR

Q.5(B) Explain the role of information systems in strategic evaluation and control. 10M

Q.6 **Case Study** 10M

The internationalization of Kalyani Group.

The Kalyani Group is a large Family-business group of India, employing more than 10000 employees. It has diverse businesses in engineering, steel, forgings, auto components, non-conventional energy and specialty chemicals. The annual turnover of the group is over US\$2.1 billion. The group is known for its impressive internationalisation achievements. It has nine manufacturing locations spread over six countries. Over the years, it has established joint ventures with many global companies such as ArvinMeritor, USA, Carpenter Technology Corporation, USA, Hayes Lemmerz, USA and FAW Corporation, China.

The flagship company of the group is Bharat Forge Limited that is claimed to be the second largest forging company in the world and the largest nationally, with about

80 per cent share in axle and engine components. The other major companies of the Group are Kalyani Steels, Kalyani Carpenter Special Steels, Kalyani Lemmerz, Automotive Axles, Kalyani Thermal Systems.

The emphasis on internationalisation is reflected in the vision statement of the Group where two of the five points relate to the group trying to be a world-class organisation and achieving growth aggressively by accessing global markets. The Group is led by Mr. B.N. Kalyani, who is considered to be the major force behind the group's aggressive internationalisation drive. Mr.Kalyani joined the Group in 1972 when it was a small-scale diesel engine component business. The corporate strategy of the Group is a combination of concentration on its core competence in its businesses with efforts at building, nurturing and sustaining mutually beneficial partnerships with alliance partners and customers. The value of these partnerships essentially lies in collaborative product development with the partners who are the original equipment manufacturers. The foreign partners are not intended to provide expansion in capacity, but to enable the Kalyani Group to extend its global marketing reach.

In achieving its successful status, the Kalyani Group has followed the path of integration, extending from the upstream steel making to downstream machining for auto components. In all these products, the group has tried to move up the value chain instead of providing just the raw forgings. In the 1990s, it undertook a restructuring exercise to trim its unrelated businesses such as television and video products and concentrate on its core business of auto components.

Four factors are supposed to have influenced the growth of the Group over the years. These are mentioned below:

- Focussing on core businesses to maximise growth potential.
- Attaining aggressive cost savings
- Expanding geographically to build global capacity and establishing leading positions
- Achieving external growth through acquisitions.

The technology used by the group in its mainline business of auto components and other businesses, is claimed to be state-of-the-art. The group invests in forging technology to enhance efficiency, production quality and design capabilities. Information technology is applied for product development, reducing production and product development time, supply-chain management and marketing of product. The group lays high emphasis on research and development for providing engineering support, advanced metallurgical analysis and latest testing equipment in tandem with its high-class manufacturing facilities.

Recent strategic moves include Kalyani Steels, a group company, entering into a joint venture agreement in may 2007, with Gerdau S.A. Brazil for installation of rolling mills. An attempt to move out of the mainstream forging business was made when the Group strengthened its position in the prospective business of wind energy through 100 per cent acquisition of RSB consult GmbH(RSB) of Germany. Prior to the acquisition, the group was just a wind farm operator and supplier of components.

Questions.

1. What is the motive for internationalisation by the Kalyani Group? Discuss.
2. Which type of International strategy is Kalyani Group adopting? Explain.

*** END***

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

MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE, MADANAPALLE

(UGC-AUTONOMOUS)

MBA II Year II Semester (R14) Regular End Semester Examinations – May/June 2016

(Regulations: R14)

ENTREPRENEURSHIP DEVELOPMENT & PROJECT MANAGEMENT

Time: 3Hrs

Max Marks: 60

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 which is a case study is compulsory.

Q.1(A) Define entrepreneurship. Explain the nature and importance of entrepreneurship. 10M

OR

Q.1(B) What do you understand by an entrepreneur? State the characteristics of an entrepreneur. 10M

Q.2(A) State the course content and curriculum of Entrepreneurship Development Programmes (EDPs). 10M

OR

Q.2(B) State the various phases of Entrepreneurship Development Programmes (EDPs). 10M

Q.3(A) Define women entrepreneurship. Explain the functions of women entrepreneurs. 10M

OR

Q.3(B) Write about any two successful women entrepreneurs in India. 10M

Q.4(A) Enumerate the various financial schemes offered by the State Financial Corporations (SFCs) for the promotion of MSMEs. 10M

OR

Q.4(B) State the role of Export-Import Bank of India (EXIM Bank) for the development of MSMEs. 10M

Q.5(A) Enumerate the various incentives, subsidies, grants offered by the Central Government and State Government for the promotion of entrepreneurship. 10M

OR

Q.5(B) State the role of National Entrepreneurship Development Board (NEBD). 10M

Q.6 10M

Case Study

Kochouseph Chittilappilly started his business 30 years back at very small levels with only two workers. At that time when I was working as a supervisor my ambition was to earn more so I started a small industry. Slowly and steadily the industry started growing, but I believe the main reason was the quality of products for our growth story.”

Aged 56 years, is a post graduate in Physics from Calicut University. He started his career as a Supervisor in an electronics company, where he worked for three years. In the year 1977, he started a SSI Unit engaged in the manufacturing and selling of electronic voltage stabilizers.

He is one of the founder promoters and has motivated the company to succeed in its business. He has been the Managing Director of the company since its inception and has taken the company to its current levels of stature and recognition with his experience and vision. He is the recipient of numerous awards, which were

bestowed on him for his exemplary performance in business. Among them are Business Man of the Millennium 2000 from Rashtra Deepika, Tourism Man of the year from Destination Kerala and Samman Pathra Award for top income tax payer from the Honourable Union Minister of State for Finance. As the Managing Director, Mr. Kochouseph has been the main driving force behind the company's sustained growth. Finding capital was difficult; banks were not impressed by his proposal, and refused to fund him.

Nevertheless, in 1977 an undeterred Chittilappilly ventured into stabilizer manufacturing with an investment of one lakh rupees that his father gave him. With just two employees, all that he could make were two stabilisers a day. Today, Chittilappilly is one of the most successful businessmen in Kerala. His Rs.165-crore V-Guard group is a household name in the state, with its flagship stabilisers and a host of products such as water pumps, water heaters, UPS, wiring cables and starters. V-Guard employs more than 4,000 people directly and indirectly. The group includes V-Star creations, makers of apparel ranging from designer churidars' to lingerie, and the Veega Land amusement park.

"I believe that the achievements of the V-Guard group are not entirely due to my abilities. I realise that our managers, staff and other associates have played a major role in bringing V-Guard to this level," he says. No wonder he has set apart four percent of the equity for his 700-odd employees.

Questions:

- i) Explain the true qualities involved in Mr. Kochouseph Chittilappilly as successful entrepreneur.
- ii) "Nature and nurture play a key role in entrepreneurship development". Explain with reference to above case study.

***** END*****

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

MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE, MADANAPALLE

(UGC-AUTONOMOUS)

MBA II Year II Semester (R14) Regular End Semester Examinations –May/June 2016

(Regulations: R14)

FINANCIAL DERIVATIVES

Time: 3Hrs

Max Marks: 60

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 which is a case study is compulsory.

Q.1(A)	What are the uses of Financial Derivatives? Discuss.	10M
OR		
Q.1(B)	Discuss the evolution and growth of derivatives markets in India.	10M
Q.2(A)	List out the differences between a Forward contract and Futures contract.	10M
OR		
Q.2(B)	Discuss the following: a. Stock Index Futures b. Currency Futures c. Interest Rate Futures	10M
Q.3(A)	What is an "Option" in the language of derivatives? Discuss the features of an Options.	10M
OR		
Q.3(B)	Who are the participants in the Options Market?	10M
Q.4(A)	What are the strategies involving in a single Options and a stock?	10M
OR		
Q.4(B)	Explain Binomial Option Pricing Theory.	10M
Q.5(A)	Define the concept Swap. Briefly discuss the features of Swap contracts.	10M
OR		
Q.5(B)	Briefly discuss the basis and types of Commodity Swaps.	10M
Q.6	Case Study	10M
	A one-year futures contract on gold costs Rs. 22 per gram per year to store with the payment being made at the end of the year. The spot price of gold is Rs. 590 per gram and the risk-free rate is 7 per cent per annum. Determine the futures price of the contract.	

*** END***

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

MBA II Year II Semester (R14) Regular End Semester Examinations – May/June 2016
(Regulations: R14)

FINANCIAL ENGINEERING

Time: 3Hrs

Max Marks: 60

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 which is a case study is compulsory.

Q.1(A) What is Financial Engineering and what are the main functions of a Financial Engineer? 10M

OR

Q.1(B) What are the Environmental factors which contributed for the growth of Financial Engineering? 10M

Q.2(A) Explain about equity options, equity Warrants and pooled investment vehicles? 10M

OR

Q.2(B) Discuss about the various types of Hybrid Securities? 10M

Q.3(A) What is Role of the gap/ margin management? Elucidate 10M

OR

Q.3(B) What is Hedging and explain the process of hedging? 10M

Q.4(A) What are the strategies influencing mergers and acquisitions explain it? 10M

OR

Q.4(B) What is a LBO? Explain the role of investment bank in an LBO. Describe techniques of corporate restructuring 10M

Q.5(A) What are derivatives? What is the role of Derivatives in risk management? 10M

OR

Q.5(B) Define and explain what is an interest-rate Swap (IRS), Interest rate futures and interest rate options? 10M

Q.6 Case Study 10M

Swap valuation:

Suppose that a financial institution has agreed to pay 6-month LIBOR and receive 5% per annum (with semi-annual compounding) on a notional principal of USD 100m. The swap has a remaining life of 1.25 years. The LIBOR rates with continuous compounding are as follows:

Time	LIBOR Rates
3 months	7.00
9 months	7.50
15 months	9.00

The 6-month LIBOR rate at the last payment date was 7.30% (with semi-annual compounding).

Calculate the value of the swap and state whether the swap is an asset or a liability to which party.

*** END***

