

**MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE, MADANAPALLE**  
(UGC-AUTONOMOUS)  
**MBA II Year II Semester (R14) Supplementary End Semester Examinations –Dec 2017**  
**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 Part B only. Q.no 6 which is a case study is compulsory.

Q.1(A)	Define strategy and core competence. Describe the categories of schools of thought on strategy formation.	10M
<b>OR</b>		
Q.1(B)	“Competitive advantage relies on skillfully crafted strategy” comment. Explain how SWOT analysis facilitates an organization in designing a strategy.	10M
Q.2(A)	What are the dimensions represented in GE nine cell matrix. Explain how organizational learning could become an effective strategy in the present scenario.	10M
<b>OR</b>		
Q.2(B)	Describe the role of Experience curve and BCG matrix in strategic analysis.	10M
Q.3(A)	Explain various strategies formulated at business level	10M
<b>OR</b>		
Q.3(B)	Discuss about the corporate companies that are implementing the tailoring strategy to fit specific industry and company situations.	10M
Q.4(A)	Explain the significant role of planning systems and resource allocation in strategy implementation.	10M
<b>OR</b>		
Q.4(B)	Detail organizational Growth and Diversification strategies with suitable examples.	10M
Q.5(A)	Explain the significance and role of strategist with an example.	10M
<b>OR</b>		
Q.5(B)	Explain how to establish strategic controls and mention guidelines for proper strategic control.	10M
Q.6	<b>Case Study</b>	10M

A Medium Swedish engineering company manufactured fire-fighting equipment, but was incurring losses. In 1984 a new marketing director was appointed. After four years of work, turnover rose from \$4 million to \$10 million and profitability was restored, mainly on the basis of a complete reappraisal of markets and marketing policy.

The marketing director found that the company had been dealing with about 100 country markets, but many produced orders only in small quantities, and these too intermittently. In total, the orders were a surprisingly small proportion of the turnover, but were just as costly and time-consuming to service as orders from the larger, steadier markets.

A careful process of selection showed that if the company concentrated more extensively on 50 markets, its chances of progress would improve, and of these 50, some 10 which looked the most promising were selected for constant and increasing attention. The company found that these core key markets provided an almost ideal ratio, because only five or six countries accounted for 75 % of trade. A contraction of business in those few countries could prove very harmful.

**Questions:**

Q. 1. If you were the marketing manager, what strategies will you adopt for increasing the performance and profit in the 10 markers?

\*\*\*END\*\*\*

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(Regulations: R14)

**ENTERPRENUERSHIP 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 Part B only. Q.no 6 which is a case study is compulsory.

Q.1(A)	Elucidate the environmental factors that influence emergence and development of Entrepreneurship.	10M
Q.1(B)	Discuss the functions and contributions of an Entrepreneur in a developing country like India.	10M
Q.2(A)	Elucidate the concept of SWOT analysis.	10M
<b>OR</b>		
Q.2(B)	Discuss in detail about patents, trademarks and Intellectual Property Rights.	10M
Q.3(A)	What are the features and qualities to be considered while preparing the project feasibility report?	10M
<b>OR</b>		
Q.3(B)	What are the different strategies used in managing newness in entrepreneurship?	10M
Q.4(A)	Explain the concept of women entrepreneurship and also give some suggestions to promote women Entrepreneurship.	10M
<b>OR</b>		
Q.4(B)	Explain the various Problems faced by the Women Entrepreneurs in today's Business Scenario.	10M
Q.5(A)	What do you mean by EDPs? Discuss the various phases involved in EDP's.	10M
<b>OR</b>		
Q.5(B)	Explain the role of NGOs in developing Entrepreneurship.	10M
Q.6	<b>Case Study</b>	10M
Read the following case and answer the questions given below:		

Mrs.Renu Gupta was an intelligent, creative and energetic woman. In spite of being an M.Sc in chemistry, she wants to supplement her family income, but did not want to opt for a job. She met American who was interested in artificial jewelers, she got that jewellery done through local artisans and then showed them to the American fiestomer who was highly appreciative. Later on few arrangements were made and Renu managed to get few orders from the Americans.

After the success of one order, slowly she started expanding her business in global markets. Together with bank loans and money from friends and relatives, she floated in export markets. Besides jewellery, she tried her hand in cane furniture also. She discovered that there was less competition in case of cane furniture. She would hold exhibitions to sell out cane furniture's in domestic markets as well.

Through observations, direct interactions with the customers and reading she formed practical ideas about the type that would appeal to western customers. Thus. Slowly and gradually she could sell out in domestic as well as in global markets. Later on, she stopped taking part in exhibitions and thus did not allow anyone to see her designs. Only trusted employees were allowed to see the designs and since employees were happy and satisfied, there was no question of any breach of trust.

**Questions:**

- a. Identify the working environment of Renu Gupta.
- b. Identify the advantages of Renu Gupta as a women Entrepreneur.
- c. Critically examine "think global and act local" in case of Renu Gupta.

**\*\*\*END\*\*\***

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**MBA II Year II Semester (R14) Supplementary End Semester Examinations – Dec 2017**  
**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 Part B only. Q.no 6 which is a case study is compulsory.

- Q.1(A) What is the meaning of financial derivatives? Appraise the origin and development of financial derivatives in India. 10M
- OR
- Q.1(B) How regulatory framework of derivatives trading in India? Explain. 10M
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- Q.2(A) Analyze the long position in stock and a short position in stock using index futures. 10M
- OR
- Q.2(B) How hedging is done using equity futures and index futures? Explain. 10M
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- Q.3(A) What are the different types of options? State the factors that affect the price of an option. 10M
- OR
- Q.3(B) Discuss the settlement mechanism of options contract. 10M
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- Q.4(A) Discuss the various trading strategies involving options. 10M
- OR
- Q.4(B) "The Black Scholes option pricing model is an arbitrage pricing model (BSOPM). If an option's price differs from BSOPM value, a dynamic riskless arbitrage strategy is possible." Discuss. 10M
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- Q.5(A) Describe the different types of currency swaps with suitable examples. 10M
- OR
- Q.5(B) Write short notes on commodity swaps and equity index swaps. 10M
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- Q.6 Current market price of the shares of MTX is Rs.100 and an option with exercise price of Rs. 115 for a call option with 12 months to expiration is being traded. It is expected that the spot price of these shares at the end of 12 months from now might increase by 60% of the current spot price or it might decline by 20% of the current spot price. The risk-free rate of interest is 10% p.a. 10M  
You are required to find out the price of the call option.  
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**MBA II Year II Semester (R14) Supplementary End Semester Examinations – Dec 2017**  
**DIGITAL MARKETING**

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 Part B only. Q.no 6 which is a case study is compulsory.

Q.1(A)	What is the scope of digital marketing in the 21 <sup>st</sup> century? What strategies do you suggest for conventional companies to go digital?	10M
<b>OR</b>		
Q.1(B)	Explain the role of blog in promotion of business by several companies.	10M
Q.2(A)	Explain the major differences between E-commerce and E-business. Write a short note on online advertising.	10M
<b>OR</b>		
Q.2(B)	Explain the process of search Engine optimization marketing.	10M
Q.3(A)	What are the advantages of social media and explain how it is impacting the common man in India?	10M
<b>OR</b>		
Q.3(B)	Explain the functioning of LinkedIn. What is its target market and its benefits?	10M
Q.4(A)	What metrics are used to analyze the effectiveness of social media?	10M
<b>OR</b>		
Q.4(B)	Explain the process of opening a twitter account. Narrate the process step by step.	10M
Q.5(A)	Explain the functioning, role and responsibilities of the web marketing manager.	10M
<b>OR</b>		
Q.5(B)	Explain in detail the online reputation management.	10M
Q.6	<b>Case Study</b>	10M

**Digisign on linkedin**

Reputed transaction management company Digisign company scored encouraging results by following a unique e-mail campaign in its mail platform. The principal aim is to create new leads by using LinkedIn to create community of people that would turn to the business for content information. The sponsored In mails were targeted at users with the job title of VP or director of sales and field operations at many UK companies with 600 or more employees, which included about 6000 people. In order to impart more professionalism, the mails were sent from industry experts who had participated in companies webinars. Each In Mail comprised a call- to- action to visit a dedicated landing page for 'sales ops gurus', and each landing page contained a video of the message sender along with documents like case - studies. Recipients could register for a webinar to interact with the speakers. Due to this campaign the community's number swelled from around 600 to more

than 900 people. The first In Mail had more than 1,500 opens and more than 150 click throughs, while the BSecond mail had more than 1000 opens and 110 clickthroughs. Interestingly, 450 people Registered for guru webinars and the company almost realized the objective of generating new leads and then build a pipe line through to the final conversion.

**Questions :**

1. Comment on the promotion strategy of Digisign to use LinkedIn to generate le
2. What other social media do you suggest for better mileage?

\*\*\*END\*\*\*

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**MBA II Year II Semester (R14) Supplementary End Semester Examinations – December 2017****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 Part B only. Q.no 6 which is a case study is compulsory.

Q.1(A) Define financial engineering. Explain the nature and scope of financial engineering. 10M

OR

Q.1(B) Explain the intra firm factors contributing to the growth of financial engineering. 10M

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Q.2(A) What are 'zero coupons'? Explain different types of zero coupon securities. 10M

OR

Q.2(B) What is an "Option" in the language of Financial Derivatives? Discuss the payoffs of a call option and put option from the point of view of option holder and writer. 10M

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Q.3(A) Discuss (a) Gap Analysis Model, (b) Duration Model, and (c) Simulation Model for measuring interest rate risk by the banking sector. 10M

OR

Q.3(B) Describe how currency futures can be used for hedging exchange rate risk. 10M

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Q.4(A) What is a merger? Explain the potential economic advantages from merger. 10M

OR

Q.4(B) What do you mean by disinvestment? Explain the motives behind the India's disinvestment policy. 10M

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Q.5(A) What do you mean by a financial derivative? Explain the role of derivatives in risk management. 10M

OR

Q.5(B) Explain the need for legal protection for innovative financial products in India. 10M

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Q.6 Suppose you have a portfolio with a long position of Rs.20,00,000 in Term Bonds and short position in Rs.10,00,000 in Treasury Notes. Volatilities are 1.58% and 1.90% per month, respectively, with a correlation of 0.9654.

- a. Compute the 95% monthly VAR for each position individually.
- b. Compute the 95% portfolio VAR and Diversification Effect.
- c. Compute the component VAR and discuss whether some positions hedge the portfolio risk.

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