

Seat No. : \_\_\_\_\_

**AQ-118**

April-2022

**M.B.A., Sem.-X**

**(Finance Specialization)**

**Working Capital Management**

**Time : 2 Hours]**

**[Max. Marks : 50**

**Instructions :** Attempt any **three** questions from **five**.

**Section-I**

1. (A) Explain the importance of Working Capital Management. What are the techniques that are used for planning and control of working capital ? 7
- (B) Explain how working capital management policies affect the profitability and liquidity of the firm. 7
  
2. (A) KS Ltd., has an average daily collection of ₹ 6,00,000. Bills are collected through concentration banking which takes average 3 days period before the bills reach the central location where it takes another 1.5 days to deposit bills in the bank. Lock-box system has been suggested as alternative which will reduce the collection period from 3 days to 1 day. Find out the increase in average cash balance that would result from the use of lock-box system. If the cost of lock-box system is ₹ 45,000, should it be adopted given that the opportunity cost of cash is 9% pa ? 7
- (B) East India Ltd., has a standard deviation of monthly net cash flows of ₹ 200. It's transaction cost of converting cash into marketable securities is ₹ 10 and the interest is 1% per month. The minimum cash balance required is ₹ 100. Set out the Upper, Lower and Return limit for the firm. Also find out the average cash balance. Apply M O model. 7

3. (A) Primer Steel Limited has a present annual sales turnover of ₹ 40 lakhs. The unit sale price is ₹ 20. The variable costs are ₹ 12 per unit and fixed costs amount to ₹ 5,00,000 per annum. The present credit period of one month is proposed to be extended to either 2 or 3 months whichever will be more profitable. The following additional information is available : 10

On the basis of credit period of

	1 month	2 months	3 months
Increase in sales by	-	10%	30%
% of Bad debts to sales	1	2	5

Fixed cost will increase by ₹ 75,000 when sales will increase by 30%. The company requires a pre-tax return on investment at 20%.

Evaluate the profitability of the proposals and recommend best credit period for the company.

- (B) How a firm can control the level of total investment in the receivables by effective Credit Policy ? 4

4. (A) What are the costs and benefits associated with inventory ? Explain. 4

- (B) The purchase department of an organization has received an offer of quantity discounts on its order of materials as under : 10

Price per tonne	Tonnes
₹ 1,400	Less than 500
1,380	500 and less than 1,000
1,360	1,000 and less than 2,000
1,340	2,000 and less than 3,000
1,320	3,000 and above

The annual requirement of the materials is 5,000 tonnes. The delivery cost per order is ₹ 1,200 and the annual stock holding cost is estimated at 20 per cent of the average inventory.

The purchase department wants you to consider the following purchase options and advise which among them will be most economical order quantity, presenting the information in tabular form: The purchase quantity options to be considered are: 400 tonnes, 500 tonnes, 1,000 tonnes, 2,000 tonnes and 3,000 tonnes.

5. (A) Following is the sales information in respect of Check Mate Ltd.,

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	<b>Domestic</b>	<b>Export</b>
Sales	₹ 11,20,000	₹ 4,80,000
Credit sales	80%	100%
Credit period	30 days	60 days
Average Payment Period	60 days	75 days
Bad debt	0.75%	1.25%

A factor firm has offered to manage the domestic sales credit on a non-recourse basis at service charge of 1.5%. The factor would provide finance on 80% of the debts factored at a cost of 15.5%. Using the factor would result in saving of ₹ 25,000 in administrative expenses. However, a one time redundancy payment of ₹ 15,000 is required to be made. The cost of capital of the company is 15%. (360 days a year). Should the company avail factor services ?

- (B) From the following data, calculate the maximum permissible bank finance under the three methods suggested by the Tandon Committee :

7

<b>Current Assets</b>	<b>₹ In Lakhs</b>	<b>Current Liabilities</b>	<b>₹ In Lakhs</b>
Raw Materials	160	Creditors	100
Work-in-progress	60	Other current liabilities	20
Finished goods	120	Bank borrowing	180
Other current assets	20	<b>Total</b>	<u>300</u>
<b>Total</b>	<u>360</u>		

The total core current assets are ₹ 180 lakhs.

### Section-II

6. Attempt any **Eight** MCQs from **Ten** MCQs :

8

- (1) Financing a long-lived asset with short-term financing would be :
- An example of “moderate risk-moderate (potential) profitability” asset financing
  - An example of “low risk-low (potential) profitability” asset financing
  - An example of “high risk-high (potential) profitability” asset financing
  - An example of the “Hedging Approach” to financing.
- (2) Which asset-liability combination would most likely result in the firm's having the greatest risk of technical insolvency ?
- Increasing current assets while lowering current liabilities
  - Increasing current assets while incurring more current liabilities
  - Reducing current assets, increasing current liabilities and reducing long-term debt
  - Replacing short-term debt with equity

- (3) Carrying cost and ordering cost are opposite forces in receivable management.
- (a) True (b) False  
(c) more information is required (d) cannot say
- (4) If the production operating cycle of a firm decreases, then the working capital requirement would :
- (a) Increase (b) Decrease  
(c) No Change (d) May change
- (5) Difference between the bank and balance as per cash book and pass book may be due to
- (a) overdraft (b) float  
(c) factoring (d) none of the above
- (6) Which of the following is not true of cash budget ?
- (a) cash budget indicates timings of short-term borrowing  
(b) cash budget is based on accrual concept  
(c) cash budget is based on cash flow concept  
(d) repayment of principal amount of loan is shown in cash budget
- (7) Ageing schedule incorporates the relationship between :
- (a) creditors and days outstanding (b) debtors and days outstanding  
(c) average age of directors (d) average age of all employees
- (8) Float Management is related to
- (a) Cash Management (b) Inventory Management  
(c) Receivable Management (d) Raw Materials Management
- (9) Receiving a required inventory item at the exact time needed.
- (a) ABC (b) JIT  
(c) FOB (d) PERT
- (10) In inventory management, ABC classification stands for
- (a) Accurate and Better Control (b) Always Best Control  
(c) Always Better Control (d) None of above
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**AQ-118**

April-2022

**M.B.A., Sem.-X**

**International Marketing Management**

**Time : 2 Hours]**

**[Max. Marks : 50**

**SECTION-I**

Attempt any **three** questions out of **five** questions. Be legible.

1. (A) Differentiate between Domestic marketing and International Marketing. **4**  
(B) Write notes on : **10**
  - (i) Political risks and its Management in International Market
  - (ii) Corporate subsidiaries v/s Branch operations of an MNC
  
2. (A) Explaining the significance of market selection in international marketing. Discuss the major approaches used to identify and select foreign markets. **9**  
(B) Differentiate between hi-tech and hi-touch positioning. **5**
  
3. (A) In organised retail, India doesn't allow 100% FDI to multi brand retailers in cities with less than a million population. Tesco, a UK based supermarket chain is planning to enter India through a joint venture with Trent Ltd. (Tata's retail venture). Critically evaluate this particular entry strategy of Tesco. What other market entry modes are available to Tesco ? Discuss advantages and disadvantages of each mode of entry. **8**  
(B) Briefly discuss some of the non-tariff entry barriers imposed by developed nations. **6**

4. (A) Describe briefly the main channels of distribution used in export markets. Which would you recommend for a small manufacturer and why ? **9**
- (B) Briefly describe the IPLC theory and its effect on marketing of a product. **5**
5. (A) Explain the need for Export Assistance. What are the various facilities available to exporters to increase their exports. **7**
- (B) Give the salient features of the latest Exim Policy. **7**

### SECTION-II

6. Attempt any **8** MCQs. Each MCQ carries **1** mark : **8**
- (1) Which is the basic form of economic integration in which member countries seek to remove all tariffs and non-tariff barriers among themselves ?
- (a) FTA (b) CU  
(c) EU (d) PU
- (2) Globalization” implies
- (a) Only economic integration  
(b) Only financial integration  
(c) Integration and convergence of Economic financial cultural and political systems  
(d) None of these
- (3) Firms that combine aspects of centralization and decentralization are
- (a) Ethnocentric (b) Polycentric  
(c) Regiocentric (d) Geocentric
- (4) Attributes of Polychromic cultures are
- (a) Schedules and Deadlines are inflexible  
(b) Meeting are uninterrupted  
(c) People and relationships are more important than punctuality  
(d) Meeting are precisely scheduled to start on time

- (5) “In India, chewing gum is viewed primarily as a children product, whereas it is considered to be substitute for smoking in the USA. It is supposed to provide dental benefits in Europe, while considered as facial fitness in Far Eastern countries.” This is a classic example of
- (a) Product adaptation-promotion extension
  - (b) Dual adaptation
  - (c) Developing new product
  - (d) Product Extension-promotion adaptation
- (6) Equivalence in cross-country research is referred to
- (a) Whether the particular concept being studied is understood and interpreted in the same manner by people in different cultures
  - (b) Whether the particular concept being studied is understood and interpreted in a different manner by people in same culture
  - (c) Whether the particular concept being studied is understood and interpreted in the same manner by people in same culture
  - (d) Whether the particular concept being studied is understood and interpreted in a different manner by people in different culture
- (7) Dumping means selling of a product \_\_\_\_\_ the cost of productions or at a \_\_\_\_\_ price in overseas market compared to domestic market.
- (a) Above & Lower
  - (b) Below & Lower
  - (c) Below & Higher
  - (d) Above & higher
- (8) Big Mac index is a product to define
- (a) Purchasing power
  - (b) Buyers behaviour pattern
  - (c) Forex fluctuations
  - (d) Competitive Index in the country

(9) \_\_\_\_\_ involves lowest obligations while \_\_\_\_\_ obligation for a seller as per INCOTERMS.

(a) FCA & DDP

(b) EXW & DDP

(c) EXW & DAP

(d) FCA & DAP

(10) \_\_\_\_\_ involves a triangular trade agreement where in the third party pays hard currency for the unwanted merchandise at a considerable discount,

(a) Bartering

(b) Clearing Arrangement

(c) Switch trading

(d) Buyback

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**AQ-118**

April-2022

**M.B.A., Sem.-X**

**Strategic Human Resource Management**

**Time : 2 Hours]**

**[Max. Marks : 50**

**SECTION-I**

Attempt any **three** Questions out of **five** Questions :

1. (A) Describe the Model of SHRM with the help of a chart. 7  
(B) Distinguish between Theory 'X' and Theory 'Y'. 7
2. (A) Elaborate upon the Work force diversity and Work force composition as one of the major challenges that HR Managers face in the present environmental trends. 7  
(B) Explain the concept of HR Audit. Write and explain the Process of HR Audit and state the benefits of HR Audit. 7
3. (A) Write a brief note on Human Resource Planning and Outsourcing. 7  
(B) Discuss the important forces that drive the human resources towards TQM. 7
4. (A) Explain the Planning Process of Employee relations. 7  
(B) What is Employee Separation? Explain the different types of Separation. 7
5. (A) Explain some of the Strategic ethical issues regarding Privacy and Employees' rights to collect information. 7  
(B) Write Short Notes on : 7
  - (i) Classification of Mentor-Protege Relationship
  - (ii) Strategies for Individual and Organizational Career Management.

## SECTION-II

6. Attempt any **eight** MCQs out of **ten** :

**8**

- (1) HR Audit is a comprehensive evaluation of strategies, practices, skills, and system in context of business \_\_\_\_ of the organization.
  - (a) Objectives
  - (b) Targets
  - (c) Goals
  - (d) Decisions
- (2) Outsourcing has made India a \_\_\_\_\_ hub, especially for the automobile sector, with cheap labour providing one of the competitive advantages.
  - (a) Technological
  - (b) Employment
  - (c) Developmental
  - (d) Manufacturing
- (3) India is a second-most populated nation in the world for BPO sector in the last two years.
  - (a) Fifth-most
  - (b) Third-most
  - (c) Second-most
  - (d) None
- (4) In the present time the HRM no longer focus on only managing people rather it focuses more on managing \_\_\_\_\_.
  - (a) Skills
  - (b) Capabilities
  - (c) Talent
  - (d) All
- (5) The firms that are successful in a change-intensive environment have developed cultures that are 'change-ready', that is, 'they have the capacity to respond faster than their \_\_\_\_\_.
  - (a) Protegees
  - (b) Competitors
  - (c) Rivals
  - (d) Challengers
- (6) Fatalist culture's good result is that, it makes people more \_\_\_\_\_ because they easily perceive natural constraints as dominating about which nothing can be done.
  - (a) Hypothetical
  - (b) Genuine
  - (c) Practical
  - (d) Realistic

- (7) In low context cultures, no importance is given to the context and all events and behaviours are judged by one \_\_\_\_\_.
- (a) Yardstick (b) Standard  
(c) Code of conduct (d) Norm
- (8) The traditional HR is transactional and respondent whereas the SHRM is \_\_\_\_\_ and initiator.
- (a) Transformational (b) Dynamic  
(c) Change oriented (d) Challenging
- (9) The outcomes of Strategic HR includes :
- (a) Increased performance  
(b) Customer & employee satisfaction  
(c) Enhanced shareholder value  
(d) All
- (10) Types of Work-Family Conflict excludes :
- (a) Strain-based conflicts (b) Time-based conflicts  
(c) Behaviour based conflicts (d) Age based conflicts
- \_\_\_\_\_

