

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

# AD-133

April-2023

Int. MBA, Sem.- X

## Working Capital Management (Finance Specialisation)

Time : 2:30 Hours]

[Max. Marks : 70

- Instructions :** (1) Show necessary calculations as the part of your answer.  
(2) Use of non-programmable scientific calculator is allowed.

1. “Neither too much of risk not too much of profitability is good.” Explain with the help of example with respect to working capital management. **14**

**OR**

The following data of average operating cycle is about the industrial average : **14**

Raw material stock turnover	30 days
Work in progress turnover	15 days
Finished Goods stock turnover	36 days
Debtor's collection period	50 days
Credit received	38 days

The data of Mihir Ltd. is as follows :

	₹ [in Lakhs]
Sales [All credit]	13,800
Cost of production	9,660
Purchases [All credit]	2,760
Average raw material stock	437
Average work in progress	391
Average finished goods stock	828
Average creditors	345
Average debtors	1,610

From the above data, calculate the working capital cycle for Industrial average as well as for Mihir Ltd. Comment upon the comparison of both the results.

2. Attempt ANY TWO : 14

(A) What do you mean by the term 'Cash management' ? What are the objectives of cash management ?

(B) What are the factors affecting cash needs ? What are the motives for holding cash ?

(C) From the following information, decide whether the company should accept the offer or reject the offer [Use Baumol's Model]

The existing scenario is as follows :

(1) Carlile Ltd. receives cash at gradual and steady rate of ₹ 3,50,000 p.a.

(2) The cash can be invested by the company to give a return of 12% p.a.

(3) The transaction expenses are ₹ 50 plus 1% brokerage of the amount invested.

Another broker has approached the company to take up investment work. He has offered to charge ₹ 100 plus 0.8% of the amount invested.

Should company accept the offer ?

3. "Evaluation of a customer is a two-step procedure." Explain. 14

**OR**

Heli Ltd. allows one month credit to its customers. 14

The present scenario of the company is as follows :

Annual sales level	10,000 units
Variable cost	₹ 200 per unit
Fixed cost	₹ 3,00,000 p.a.

In an attempt to increase the sales, the company has two proposals considering the extension of the credit period to 2 months and 3 months.

However, in an attempt to increase the credit period, the company also estimates the cost of bad debts. The estimates are as follows:

Policy	Credit period	Increase in sales	% of bad debts	Increase in fixed cost
Existing	1 month	–	1%	–
Proposal I	2 months	15%	3%	–
Proposal II	3 months	30%	5%	₹ 50,000

The company plans 20% pre-tax return on the investment in receivables.

You are required to select the most profitable credit policy for the company by using Net Profit method.

4. From the following information of Kuku Ltd., determine the economic ordering quantity with discount and without discount : 14

Purchase price	₹ 10
Annual requirement	6,300 kg
Ordering cost	₹ 10 per order
Carrying cost	₹ 0.26 per unit

The discount schedule applicable to the company is as follows:

Kg ordered	Discount
1-1000	0%
1000-1500	0.10%
1500-2500	0.15%
2500-5000	0.30%
5000 and above	0.50%

The company is having following options to order the required quantity.

<b>Option</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
Kg ordered	6,300	3,150	2,100	1,575	1,260
<b>Option</b>	<b>F</b>	<b>G</b>	<b>H</b>	<b>I</b>	<b>J</b>
Kg ordered	1,050	900	790	700	630

Select the most economical option for the company.

5. Attempt ANY TWO : 14
- (A) What is Factoring ? How factoring mechanism works in case of domestic factoring ?
- (B) Write a note on: Significance of Factoring.
- (C) Write a note on: Trade credit as a means of financing the working capital.

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**Int. MBA, Sem.- X**

**Strategic Human Resource Management (HR)**

**Time : 2:30 Hours]**

**[Max. Marks : 70**

1. Explain the five Critical Business Challenges in Strategic Human Resource Management. Also differentiate between Traditional Human Resource and Strategic Human Resource. 14
  
2. Explain any **two** of the following :
  - (1) Work force Diversity and Workforce Composition. 7
  - (2) Purpose and Process of Benchmarking. 7
  - (3) Three Clusters of HR Measures. 7
  
3. What is Human Resource Planning ? Describe the Significance of Human Resource Planning in changing Competitive work Environment. 14

**OR**

Explain the forces that drive the HR towards TQM. Also state the points of difference between Traditional HRM Approach and Total Quality HRM. 14

4. In terms of 'Understanding Diversity' in the Modern Workforce- explain the Multilevel Employee Relation Plan. 14

**OR**

Define Employee Separation. What are the different types of Employee Separation ? Discuss. 14

5. Write a detailed note on “The Ethical Issues in Strategic Human Resource Management”. State relevant example for each issue. **14**

**OR**

Explain :

- (1) Risk associated with Mentor Protege relationship. **7**
- (2) Career Development Interventions for each career stage. **7**
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April-2023

**Int. MBA, Sem.- X****International Marketing Management****Time : 2:30 Hours]****[Max. Marks : 70**

1. (a) 'Operating in international markets is much more complex than marketing domestically.' Critically evaluate the statement with suitable examples. **6**
- (b) Write notes on **8**
- (1) Political risks and its management in international market.
- (2) Corporate subsidiaries v/s Branch Operations of an MNC.

**OR**

- (b) Explain any other two products which have been customized taking into consideration the cultural and the economic environment of the host country. **8**
2. (a) 'Markets with geographic proximity are not always the most preferred markets.' Explain the statement using the distance model for selection of international markets. **5**
- (b) How would you proceed to explore the global opportunity for selling of ethnic men's wear from India ? Discuss the steps and the factors affecting the market size and potential. **9**

3. Tata Chemicals (TCL), a leading Indian company with interests in businesses that focus on LIFE [Living, Industry and Farm Essentials] has forayed into everyday nourishing foods that form a part of the Indian thali 'Tata Sampann', under its consumer products business. Launched with a focus on delivering food products that fulfill everyday needs of nourishment, Tata Sampann acts as an umbrella brand for various unpolished high-protein dal range and low-oil absorb besan made from 100 percent chana dal. Tata Sampann stands for quality, authenticity and ranks high on nutrition for a healthy living. Tata Sampann has also launched a new communication campaign named 'Goodness Ki Shuruuat' to communicate the focus and benefits of its offerings. Tata Sampann believes that natural goodness is the way-to-go for a healthy, balanced life. From procurement to processing to packaging, not only does the brand select the best produce, but also ensures that products reach the kitchen exactly the way nature intended it to be.

For the information mentioned above, answer the following questions :

- (a) What are the foreign market entry strategies available to TCL if it plans to go global and cater to the Indian diaspora [Indians living outside India] and others ? **7**

- (b) Discuss the merits and demerits of the Standardization and Adaptation in advertising of pulses in international market. 7

**OR**

- (a) Explain the role and responsibility of the buyer and seller with respect to the following Incoterms : 8
- (1) FOB at Named port of shipment.
  - (2) CIF to named port of shipment.
  - (3) DDP at named place of destination.
  - (4) EXW at named place.
- (b) Briefly describe the IPLC theory and its effect on marketing of a product. 6
4. (a) Explain the difference between construct and measurement equivalence using relevant examples. 8
- (b) Briefly describe any two non-tariff entry barriers imposed by developed nations. 6
5. (a) Describe in detail the role of Export Promotion Councils in the export enhancement of India. 10

**OR**

- (a) Why does a manager operating in international markets need to have a thorough knowledge of Foreign Trade Policy (FTP) and incentives ? Justify your answers. 10
- (b) Discuss the role of Self reference criteria in international marketing. 4
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