

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

MBA I Year I Semester (R14) Supplementary End Semester Examinations – May 2017
(Regulations: R14)

MANAGEMENT & ORGANIZATIONAL BEHAVIOR

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 Management. Discuss the significance of studying management as a discipline. | 10M |
| OR | | |
| Q.1(B) | ‘The business of business is business.’ Critically evaluate the statement with ethics and social responsibilities of business. | 10M |
| <hr/> | | |
| Q.2(A) | What are planning and controlling called significant functions of management? Explain the various types of controlling. | 10M |
| OR | | |
| Q.2(B) | Why Control is called one of the significant functions of management and explains why predetermined standards are necessary for effective managerial control? | 10M |
| <hr/> | | |
| Q.3(A) | Critically examine the basic assumption of Herzberg’s Two Factors Motivational Theory. | 10M |
| OR | | |
| Q.3(B) | Discuss the organization application of social learning theory. | 10M |
| <hr/> | | |
| Q.4(A) | Explain Managerial grid Model and discuss which leadership style brings about win-win situation in organization. | 10M |
| OR | | |
| Q.4(B) | Explain the stages of team Development and discuss the issues to be addressed to create team cohesiveness in self managed team. | 10M |
| <hr/> | | |
| Q.5(A) | “The most important point is to recognise the source of the negative stress. This is not an admission of weakness or inability to cope! It is a way to identify the problem and plan measures to overcome it.” Discuss | 10M |
| OR | | |
| Q.5(B) | Distinguish between organizational culture and climate? Discuss the factors contributing towards creating sustainable culture | 10M |
| <hr/> | | |
| Q.6 | Case Study | |
| | Susan Harrington continued to drum her fingers on her desk. She had a real problem and wasn’t sure what to do next. She had a lot of confidence in Jack Reed, but she suspected she was about the last person in the office who did. Perhaps if she ran through the entire story again in her mind she would see the solution. | 10M |

Susan had been distribution manager for Clarkston Industries for almost twenty years. An early brush with the law and a short stay in prison had made her realize the importance of honesty and hard work. Henry Clarkston had given her a chance despite her record, and Susan had made the most of it. She now was one of the

most respected managers in the company. Few people knew her background. Susan had hired Jack Reed fresh out of prison six months ago. Susan understood how Jack felt when Jack tried to explain his past and asked for another chance. Susan decided to give him that chance just as Henry Clarkston had given her one. Jack eagerly accepted a job on the loading docks and could soon load a truck as fast as anyone in the crew.

Things had gone well at first. Everyone seemed to like Jack, and he made several new friends. Susan had been vaguely disturbed about two months ago, however, when another dock worker reported his wallet missing. She confronted Jack about this and was reassured when Jack understood her concern and earnestly but calmly asserted his innocence. Susan was especially relieved when the wallet was found a few days later.

The events of last week, however, had caused serious trouble. First, a new personnel clerk had come across records about Jack's past while updating employee files. Assuming that the information was common knowledge, the clerk had mentioned to several employees what a good thing it was to give ex-convicts like Jack a chance. The next day, someone in bookkeeping discovered some money missing from petty cash. Another worker claimed to have seen Jack in the area around the office strongbox, which was open during working hours, earlier that same day.

Most people assumed Jack was the thief. Even the worker whose wallet had been misplaced suggested that perhaps Jack had indeed stolen it but had returned it when questioned. Several employees had approached Susan and requested that Jack be fired. Meanwhile, when Susan had discussed the problem with Jack, Jack had been defensive and sullen and said little about the petty-cash situation other than to deny stealing the money.

To her dismay, Susan found that rethinking the story did little to solve his problem. Should she fire Jack? The evidence, of course, was purely circumstantial, yet everybody else seemed to see things quite clearly. Susan feared that if she did not fire Jack, she would lose everyone's trust and that some people might even begin to question her own motives.

Case Questions

1. Explain the events in this case in terms of perception and attitudes. Does personality play a role?
2. What should Susan do? Should she fire Jack or give him another chance?

*** End***

END

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

MBA I Year I Semester (R14) Supplementary End Semester Examinations – May 2017
(Regulations: R14)

MANAGERIAL ECONOMICS

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)	Explain how managerial economics is related to Economics, Production Management, Marketing, Finance and Personnel.	10M
OR		
Q.1(B)	Discuss the role of managerial economist in the modern business world.	10M
<hr/>		
Q.2(A)	What do you mean by elasticity? Explain various types of elasticity of demand.	10M
OR		
Q.2(B)	What is demand forecasting? Explain briefly various techniques of forecasting.	10M
<hr/>		
Q.3(A)	Define cost. Explain different cost concepts used in the process of cost analysis.	10M
OR		
Q.3(B)	Explain cost-output relationship and discuss cost in long run.	10M
<hr/>		
Q.4(A)	Compare and contrast between perfect competition and monopoly.	10M
OR		
Q.4(B)	What are the objectives and policies of making pricing methods?	10M
<hr/>		
Q.5(A)	Define National Income? Explain various methods of its measurements.	10M
OR		
Q.5(B)	Discuss in briefly about Gross National Income and Gross National Product.	10M
<hr/>		
Q.6	Case Study	10M

Mr Brewster operates a roofing company in London and has been asked by the local government authority of Merton to repair the roofs of several of their properties damaged in a recent storm. The job must be completed during the next four weeks (twenty working days), and Merton has offered £16,000 for the job. Mr Brewster has estimated that the job requires seventy-five work days, but he can only use his regular three workers for the job because it is a very busy period for the industry as a whole. Fortunately, Mr Brewster's son, Will, can take time off from his regular job (paying £80 per day) to help complete the work. Mr Brewster has estimated that, for his regular employees, the cost per work day is £150. This consists of a wage of £100 (which is only paid if the employee is working) and £50 in contributions to the government (which are paid annually regardless of how many days the employees work).

Brewster Roofing has all the equipment necessary for the job and has some of the materials available in inventory. The materials cost £5,000 originally, but these costs have since increased by an average of 5 percent. Additional materials costing £3,000 are also required.

Mr Brewster has costed the job as follows:

Revenue:	£16,000
Costs	
Labour :	£9,000
Materials:	£8,000
Total cost:	<u>£17,000</u>
Profit :	£1,000

On the basis of the above analysis Mr Brewster rejects the job.

Questions

1 Prepare a revised cost estimate for the job, taking into account opportunity costs, replacement costs and incremental costs. Assume that Mr Brewster considers the job from the viewpoint of a family business, including himself and his son together.

2 Advise Mr Brewster regarding whether he should accept the job, stating any assumptions involved in your analysis.

*****END*****

MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE, MADANAPALLE
(UGC-AUTONOMOUS)
MBA I Year I Semester (R14) Supplementary End Semester Examinations – May 2017
(Regulations: R14)
BUSINESS ENVIRONMENT

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 Economic Environment? Give a brief account of the Micro and Macro Environment of Business? | 10M |
| OR | | |
| Q.1(B) | Explain the Salient Features of the 1991 New Industrial Policy and its Socio Economic impact? | 10M |
| <hr/> | | |
| Q.2(A) | Explain the different Advantages and Disadvantages of Globalization with examples of Developing Countries? | 10M |
| OR | | |
| Q.2(B) | Describe the Structure and Components of Balance of Payments? | 10M |
| <hr/> | | |
| Q.3(A) | Explain the Sources of Revenue for the Union and State Governments in India? | 10M |
| OR | | |
| Q.3(B) | What is Public Debt? Discuss its Role in Economy? | 10M |
| <hr/> | | |
| Q.4(A) | What is Monetary Policy? Explain Demand for Money and Money Supply? | 10M |
| OR | | |
| Q.4(B) | Write a note on Role of Finance Commission in India? | 10M |
| <hr/> | | |
| Q.5(A) | Give brief account of the Structure and Components of the Indian Financial System? | 10M |
| OR | | |
| Q.5(B) | Explain the Salient Features of Provisions of the Consumer Protection Act? | 10M |
| <hr/> | | |
| Q.6 | Case Study | 10M |

Aaterik Corporation – Expectations versus Realities

Manufacturers of electrical equipments Aaterik Corporation went for international expansion in 1988. The company headquarter was located in the United States. This was the time when communist regimes were disintegrating in Eastern Europe. The company took a strategic decision to move to a location that could provide cheap labour and it could further expand its business in East Europe. As part of this strategy, Aaterik Corporation initiated a major expansion drive in Hungary with the acquisition of 51% interest in Telnet, a manufacturer of electrical products in Hungary. Wage rates in Hungary were low and the country was shifting from a totalitarian communist country with state-owned and planned economic system to a politically democratic country with free markets. Aaterik Corporation believed that this change towards a free market system would create business

opportunities in the long run.

The company wanted to exploit these opportunities and transferred its best human resources to Hungary. However, due to the political conditions, the returns did not meet expectations. Results were slow and with the passage of time, losses mounted up.

Eventually, the company released that there were vast differences in the culture of America and Hungary. There was a significant difference of attitude, beliefs, customers, quality and working culture between American managers and Hungarians. American managers complained that the Hungarians were lackadaisical while the Hungarians thought the Americans Pushy.

The Americans insisted on strong sales and marketing functions that would pamper customers while the Hungarians did not want these strategies. The Hungarians expected Western style wages but Aaterik Corporation came to Hungary to take a competitive advantage of the countries low wage structure. Later, the Aaterik Corporation management admitted that they underestimated the situation and released that human engineering was much more difficult than product engineering.

Discussion Questions:

- a. What were the expectations and attractions of Aaterik Corporation when it moved to Hungary?
- b. What were the basic problems that the company faced in Hungary?
- c. As the manager of Aaterik Corporation in Hungary, what will be your strategy in the given situation?

*****END*****

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

MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE, MADANAPALLE

(UGC-AUTONOMOUS)

MBA I Year I Semester (R14) Regular End Semester Examinations – May, 2017

(Regulations: R14)

FINANCIAL ACCOUNTING FOR MANAGERS

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 Accounting. Explain accounting concepts and conventions. 10M

OR

Q.1(B) From the following Trial Balance of Sekhar, prepare Trading and Profit and Loss Account for the year ending 31st March, 2013 and Balance Sheet as on that date. 10M

Particulars	Debit (Rs.)	Credit (Rs.)
Buildings	20,000	--
Capital Account	--	60,000
Purchases and Sales	10,000	30,000
Opening Stock (01.04.2012)	5,000	--
Debtors and Creditors	12,000	6,000
Drawings	4,000	--
Sales Returns and Purchase Returns	2,000	500
Freight	2,500	--
Office Salaries	8,000	--
Wages	1,500	--
Postage and Telegrams	1,000	--
Machinery	15,000	--
Bills Receivable and Bills Payable	8,000	2,000
Advertisement	2,000	--
Cash in hand	3,500	--
Loose tools	4,000	--
	98,500	98,500

Adjustments:

1. Closing stock was valued at Rs.6,000.
2. Depreciate buildings by 10 per cent and Loose Tools are re-valued at Rs.3,500
3. Interest on Capital at 10% and drawings at 5%.

Q.2(A) The balance sheet of Hindusthan Ltd. is as follows on 31.12.2016. 10M

Liabilities	Rs.	Assets	Rs.
Share Capital		Fixed Assets	4,00,000
Equity Shares of Rs.10 each	5,00,000	Investments	1,00,000
General Reserve	2,00,000	(6% Govt. Loan)	
Profit & Loss A/c	1,00,000	Current assets	4,00,000
Current Liabilities	1,00,000		
	9,00,000		9,00,000

Net profit after taxation 2013 – Rs.1,30,000, 2014 - Rs.1,25,000 and 2015 – Rs.1,50,000. The Goodwill may be taken as 4 years purchase of average super profits. Normal return on average capital employed is 15%. The current assets are to be taken as Rs.4,20,000. Ascertain the value of goodwill.

OR

Q.2(B) Narrate the First-in-First-out (FIFO) and Last-in-First-out (LIFO) methods of valuation of material issues. Discuss the impact of increase and decrease in prices on these methods of pricing of 10M

material issues.

Q.3(A) What do you mean by forfeiture of shares? Explain the rules relating to re-issue of forfeited shares. 10M

OR

Q.3(B) Give the necessary journal entries at the time of redemption of debentures in each of the following cases. 10M

- X Ltd. issued 5,000, 9% debentures of Rs.100 each at par and redeemable at the end of 5 years out of capital.
- X Ltd. issued 1,000, 12% debentures of Rs.100 each at par. These debentures are redeemable at 10% premium at the end of 4 years.
- X Ltd. issued 12% debentures of the total face value of Rs.1,00,000 at a premium of 5% to be redeemed at par at the end of 4 years.
- X Ltd. issued Rs.1,00,000, 12% debentures at a discount of 5% but redeemable at a premium of 5% at the end of 5 years.

Q.4(A) What is financial statement analysis? Explain the main principles of horizontal and vertical analysis. 10M

OR

Q.4(B) From the following balance sheets of Sundaram Ltd., as on 31st December, 2010 and 31st December, 2011, you are also required to prepare: (a) a schedule of changes in working capital, (b) a funds flow statement. 10M

Liabilities	31.12.10	31.12.11	Assets	31.12.10	31.12.11
Share Capital	1,00,000	1,00,000	Goodwill	12,000	12,000
General Reserve	14,000	18,000	Buildings	40,000	36,000
Profit and Loss A/c	16,000	13,000	Plant	37,000	36,000
Sundry Creditors	8,000	5,400	Investments	10,000	11,000
Bills Payable	1,200	800	Stock	30,000	23,400
Provision for Taxation	16,000	18,000	Bills Receivable	2,000	3,200
Provision for Doubtful Debts	400	600	Debtors	18,000	19,000
			Cash at Bank	6,600	15,200
	1,55,600	1,55,800		1,55,600	1,55,800

The following additional information has also been given:

- Depreciation charged on plant was Rs.4,000 and on building Rs.4,000.
- Provision for taxation of Rs.19,000 was made during the year 2011.
- Interim dividend of Rs.8,000 was paid during the year 2011.

Q.5(A) What do you mean by computerized accounting? Explain the need for computerized accounting. 10M

OR

Q.5(B) Discuss the Accounting and Inventory features of Tally ERP. Explain the components of Tally ERP Start-up screen. 10M

Q.6 With the help of the following ratios regarding Kothari & Co, draw the Balance Sheet of the company for the year 2016. 10M

Current ratio	2.5
Liquidity ratio	1.5
Net working capital	Rs.3,00,000
Stock turnover ratio (cost of sales/closing stock)	6 times
Gross profit ratio	20%
Fixed assets turnover (on cost of sales)	2 times
Debt collection period	2 months
Fixed assets to shareholders net worth	0.80
Reserve and surplus to capital	0.50

END

Hall Ticket No:

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

Course Code: 14MBA11T06

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

MBA I Year I Semester (R14) Supplementary End Semester Examinations – May 2017
(Regulations: R14)

QUANTITATIVE TECHNIQUES

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 set and explain different types of sets. 10M

OR

Q.1(B) Find inverse of a matrix 10M

$$A = \begin{bmatrix} 1 & 3 & 3 \\ 1 & 4 & 3 \\ 1 & 3 & 4 \end{bmatrix}$$

Q.2(A) The following distribution gives the pattern of overtime work done by 100 employees of a company. Calculate mean and median of the distribution 10M

Overtime hours	10-15	15-20	20-25	25-30	30-35	35-40
Number of employees	11	20	35	20	8	6

OR

Q.2(B) Calculate Karl person's and Boeley's co-efficient of Skweness for the following data. 10M

Profit (Rs.Crores)	10-20	20-30	30-40	40-50	50-60
Number of companies	15	20	30	10	5

Q.3(A) Find rank correlation co-efficient for the following data 10M

X	92	89	86	87	83	71	86	63	53	60
Y	86	83	77	91	68	52	68	85	57	60

OR

Q.3(B) Given the bivariate data: 10M

X	20	60	40	30	20	25	80	40
Y	7	2	1	1	2	3	2	6

a) Fit the regression line of Y on X and hence predict Y, if X=45

b) Fit the regression line of X on Y and hence predict X, if Y=5

Q.4(A) i. State and prove Addition rule of probability. 5M

ii. A card is selected from a pack of playing cards. What is the probability that it is either black or king card? 5M

OR

Q.4(B) Given the probabilities of three events, A, B and C are $P(A) = 0.35$, $P(B) = 0.45$ and $P(C) = 0.2$. Assuming that A, B and C have occurred, the conditional probabilities of another event X occurring are $P(X/A) = 0.8$, $P(X/B) = 0.65$ and $P(X/C) = 0.3$. Find $P(A/X)$, $P(B/X)$ and $P(C/X)$. 10M

Q.5(A) Out of 800 families with 5 children each, how many would you expect to have 4 boys, 3 girls, either 2 or 3 boys, all girls? Assume equal probabilities for boys and girls. 10M

OR

Q.5(B) In a test on 2000 electrical bulbs, it was found that the average life time of a particular make was normally distributed with mean 2000 hours and standard deviation of 50 hours. Estimate the number of bulbs with the life time 10M

- Between 1900 and 2000 hours.
- Less than 1950 hours.

Q.6 **Case Study** 10M

Kushal Arora, a second year MBA student, is doing a study of companies going public for the first time. He is curious to see whether or not there is a significant relationship between the sizes of the offering (in crores of rupees) and the price per share after the issue. The data are given below:

Size (in crore of rupees)	108	39	68.4	51	10.4	4.4
Price (in rupees)	12	13	19	12	6.5	4

You are required to calculate the coefficient of correlation for the above data set and comment what conclusion Kushal should draw from the sample.

*****END*****