OP – 253

IV Semester M.B.A. Degree Examination, November 2022
(CBCS – 2014-15 and Onwards)
MANAGEMENT
Paper – 4.1 : International Business Dynamics

Time : 3 Hours Max. Marks : 70

SECTION – A

Answer **any five** of the following. **Each** question carries **five** marks. **(5×5=25)**

1. Discuss the specific challenges faced by an MNC in India.
2. Discuss Porter's theory of national competition advantage.
3. Discuss export and import financing methods.
4. Discuss some successful models of international business.
5. What is negotiation ? Is it useful in business decisions.
6. Discuss any two modes of entry of an MNCs into a new country of operations.
7. What are trading blocks ? Briefly elaborate with examples.

SECTION – B

Answer **any three** questions. **Each** question carries **10** marks. **(3×10=30)**

8. Discuss Demographic legal and Economic environment of an MNC.
9. What are conflicts ? What are the reasons for conflicts ? How can you manage them in an MNC ?
10. Discuss the formation structure working of the WTO. What are the criticisms aimed against ?
11. How does culture impact International Business ? How does cross cultural training acclimatize human resource in the country of operations ?

P.T.O.

SECTION – C

Compulsory Question : **(1×15=15)**

12. **Case Study** :

Indian roses are grown in a variety of color. An NRI couple is intending to get married in Texas, USA. Their reception will be held in Sri Lanka, on two different days respectively. You are an event organizer and have been asked to send a variety of roses both to the USA and Sri Lanka for these occasions. Explain the following :

a) What kind of customization with regard to packing and safety are you required to undertake ?

b) In what currency are you expecting your payment and what are the procedures you must perform before getting paid ?

c) If sending roses becomes a monthly affair how will you set up your business model ?

OP – 254

IV Semester M.B.A. Degree Examination, November 2022
(CBCS – 2014-15 and Onwards)
MANAGEMENT
Paper – 4.2.1 : Investment Analysis and Management

Time : 3 Hours Max. Marks : 70

SECTION – A

Answer **any five** of the following. **Each** question carries **five** marks. **(5×5=25)**

1. Discuss the factors that differentiate the investors from the speculators and gamblers.

2. 'Changes that occur in the interest rate and purchasing power affect the bonds return more than the stock return'. Discuss.

3. Discuss the different trends given in the Dow theory.

4. A portfolio consists of 4 securities 1, 2, 3 and 4. The proportions of these securities are : $w_1 = 0.3$, $w_2 = 0.2$, $w_3 = 0.2$ and $w_4 = 0.3$. The standard deviations of returns on these securities (in percentage terms) are : $\sigma_1 = 5$, $\sigma_2 = 6$, $\sigma_3 = 12$ and $\sigma_4 = 8$. The correlation coefficients among security returns are : $\rho_{12} = 0.2$, $\rho_{13} = 0.6$, $\rho_{14} = 0.3$, $\rho_{23} = 0.4$, $\rho_{24} = 0.6$ and $\rho_{34} = 0.5$. What is the standard deviation of portfolio return ?

5. The rate of return on the stock of XYZ Technologies and on the market portfolio for 6 periods has been as follows :

Period	Return on the stock of XYZ Technologies (%)	Return on the market portfolio (%)
1	16	14
2	12	10
3	–9	6
4	32	18
5	15	12
6	18	15

i) What is the beta of the stock of XYZ Technologies ?

ii) Establish the characteristic line for the stock of XYZ Technologies.

P.T.O.

6. The following information is given.
   Expected return for the market = 15%
   Standard deviation of the market return = 25%
   Risk free rate = 8%
   Correlation coefficient between stock A and the market = 0.8
   Correlation coefficient between stock B and the market = 0.6
   Standard deviation for stock A = 30%
   Standard deviation for stock B = 24%
   i) What is the beta for stock A ?
   ii) What is the expected return for stock A ?

7. Assume the CAPM with risk free lending but no risk free borrowing. The return on the market portfolio is 10% and the return on the zero beta portfolio is 6%. The market standard deviation is 30%. Complete the following table.

Security	Expected Return	Standard Deviation	Beta	Residual Variance
X	0.15	-	-	0.0375
Y	0.10	-	-	0.0775

SECTION – B

Answer **any three** questions. **Each** question carries **10** marks. **(3×10=30)**

8. Explain Sharpe Index Model. How it is different from the Markowitz model ?

9. Explain CAPM theory and its validity in the stock market.

10. Stock X and Y display the following returns over the past three years.

Years	Returns	
	X	Y
2019	14	12
2020	16	18
2021	20	15

   a) What is the expected return on a portfolio made upto 40% and 60% of Y ?
   b) What is the Standard deviation of the stock ?
   c) Determine the correlation coefficient of stock X and Y.
   d) What is the portfolio risk made up of 40% of X and 60% of Y ?

11. The following data are given for X and Y companies stocks and Bombay Sensex for a period of 1 year. Calculate the systematic and Unsystematic risk for the companies stocks. If an equal amount of money is allocated for the stocks what would be the portfolio risk ?

	X Stock	Y Stock	Sensex
Average return	0.15	0.25	0.07
Variance of return	6.20	5.76	2.45
Beta	0.70	0.26	-
Correlation co-efficient	-	0.456	-

SECTION – C

Compulsory question. **(1×15=15)**

12. Case study :

Mr. Nitin Gupta had invested Rs. 8 million each in Ashok Exports and Biswas Industries and Rs. 4 million in Cinderella Fashions, only a week before his untimely demise. As per his will this portfolio of stocks were to be inherited by his wife alone. As the partition among the family members had to wait for one year as per the terms of the will, the portfolio of shares had to be maintained as they were for the time being. The will had stipulated that the job of administering the estate for the benefit of the beneficiaries and partitioning it in due course was to be done by the reputed firm of Chartered Accountants, Talwar Brothers. Meanwhile the widow of the deceased was very eager to know certain details of the securities and had asked the senior partner of Talwar Brothers to brief her in this regard. For this purpose the senior partner has asked you to prepare a detailed note to him with calculations using CAPM, to answer the following possible doubts.

What is the expected return and risk (standard deviation) of the portfolio ? What is the scope for appreciation in market price of the three stocks are they overvalued or undervalued ?

You find that out the three stocks, your firm has already been tracking two viz. Ashok Exports (A) and Biswas Industries (B) their betas being 1.7 and 0.8 respectively. Further, you have obtained the following historical data on the returns of Cinderella Fashions (C) :

Period	Market return (%) Cinderella Fashions	Return on (%)
1	10	14
2	5	8
3	2	6
4	1	4
5	5	10
6	8	11
7	10	15

On the future returns of the three stocks, you are able to obtain the following forecast from a reputed firm of portfolio managers.

State of the Economy	Probability	Returns (in percentage)				
		Treasury Bills	Ashok Exports	Biswas Industries	Cinderella Fashions	Sensex
Recession	0.3	7	5	15	10	2
Normal	0.4	7	18	8	16	17
Boom	0.3	7	30	12	24	26

1) Calculate the beta of Cinderella Fashions stock from the historical data.

2) Calculate the expected returns, standard deviations and covariance's.

3) Calculate the covariances between the stocks.

4) Determining overpricing and under pricing using CAPM.

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IV Semester M.B.A. Degree Examination, November 2022
(CBCS – 2014-15 and Onwards)
MANAGEMENT
Paper – 4.3.1 : Strategic Brand Management

Time : 3 Hours Max. Marks : 70

SECTION – A

Answer **any five** of the following questions. **Each** question carries **5** marks. **(5×5=25)**

1. What are the different stages involved in New Product Development ?
2. What are the factors to be considered by a Brand Manager for selection of a good brand Name ?
3. Describe the Brand Extension at length with proper illustration.
4. Explain the Kepferer Brand Identity Prizm Model.
5. Classify the different types of Brands.
6. Describe briefly the components of Aakers Brand Equity Model.
7. What is a brand endorsement ? Explain the role of celebrities in endorsing the brand.

SECTION – B

Answer **any three** questions. **Each** question carries **10** marks. **(3×10=30)**

8. A leading hair oil company plans to enter the antiseptic skin cream business in competition with the market leader Boroline. Currently the market in India is valued at INR 129.76 bn in 2021 and is expected to expand at a Compound Annual Growth Rate (CAGR) of 8.22% during the 2021-2025. Period to reach a value of INR 191.09 bn by 2025. Given these circumstances discuss the positioning and Brand building strategies that the company can use.
9. Elaborate the steps in strategic brand management process.
10. Discuss different methods of measuring brand equity.
11. Write short notes on :
    a) Brand Leveraging techniques
    b) Brand Architecture.

P.T.O.

SECTION – C

12. **Compulsory –** Case study. **(1×15=15)**

Color cosmetics player Modi Revlon plans to take on Garnier, the mass hair color market leader, with the launch of its mass brand, Color N Care. While this world be Revlon's first India-specific brand, it would also mark a detour from Revlon's permium positioning. Priced at Rs. 120, Color N Care would compete with Garnier, which commands about 75% share of the mass hair color market, and Godrej. About 60% of the Rs. 200-crore hair color market is dominated by mass brands priced around Rs. 100. "It is the first India-specific brand from Revlon. If it succeeds, we would like to have the brand rights to distribute it in other markets", said Umesh K Modi, chairman, president and CEO, Modi Group. The Rs. 150 crore Modi Revlon, a 74:26 joint venture between Modi Mundipharma and Revlon, has hair color brands like Color Silk, Top Speed and Color Stay, priced at Rs. 250, Rs. 375 and Rs. 450 respectively. With the launch of Color N Care, it is targeting a 15% market share in the first year. The new brand would be promoted through a mix of mass media compaigns and in-store promotions through its beauty advisors. For Modi Revlon, about 20% of its revenue comes from the hair color business. It has a 12% market share of the total hair color market.

Questions :

1) Explain brand strategy of Revlon.
2) Critically analyze firms brand structure. What challenges you foresee for the firm ?

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IV Semester M.B.A. Degree Examination, November 2022
(CBCS – 2014-15 and Onwards)
MANAGEMENT
Paper – 4.4.1 : Strategic Human Resource Management

Time : 3 Hours Max. Marks : 70

SECTION – A

Answer **any five** questions from the following. **Each** question carries **5** marks. **(5×5=25)**

1. Describe evolution of Strategic HRM.
2. Explain the various measures of HRM performance.
3. Discuss the components of reward system.
4. Describe various methods of performance appraisal.
5. List out the reasons for downsizing.
6. What are the different types of merger and acquisition ?
7. Explain matrix organisation structure.

SECTION – B

Answer **any three** questions from the following. **Each** question carries **10** marks. **(3×10=30)**

8. Explain the role of HRM in knowledge economy.
9. What are the process related responses shown by an organisation towards changing environment ?
10. Elaborate on the HR practices that can be used for attaining competitive advantage.
11. Write a short note on :
    (i) HR bundles approach
    (ii) Labour market.

P.T.O.

SECTION – C

12. **Compulsory** case study : **(1×15=15)**

Compensation is a Touchy subject.

As the HR manager, you have access to sensitive data, such as pay information. As you are looking at pay for each employee in the marketing department, you notice that two employees with the same job title and performing the same job are earning different amounts of money. As you dig deeper, you notice the employee who has been with the company for the least amount of time is actually getting paid more than the person with longer tenure. A brief look at the performance evaluations shows they are both star performers.

Questions :

a) Determine that two different managers hired the employees, and one manager is no longer with the organization. How would you handle this ?

b) Describe the recruiting strategy and compensation strategy.

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IV Semester M.B.A. Degree Examination, November 2022
(CBCS) (2014-15 and Onwards)
MANAGEMENT
Paper – 4.2.2 /4.6.2 : International Financial Management

Time : 3 Hours Max. Marks : 70

SECTION – A

Answer **any five** of the following questions. **(5×5=25)**

1. Identify the factors which are to be taken into consideration by the countries, which seek to make use of foreign capital on their terms.
2. What techniques may be adapted to forecast exchange rates ? What are their limitations ?
3. What advantage do currency options offer that are not available with futures or forward contracts ?
4. A Bank sold Hong Kong Dollars 1,00,000 spot to its customer at Rs. 7.5681 and covered itself in London Market on the same day, when exchange rates were :
   US$ 1 = HK$ 8.4409 – 8.4500.
   Local interbank market rates for US$ were
   Spot US$ 1 = Rs. 72.7128 – Rs. 72.9624.
   Calculate the cover rate and ascertain the profit or loss in the transaction. Ignore brokerage.
5. Company 'A' wishes to borrow 10 million at a fixed rate for 5 years and has been offered 11% fixed or 6-month LIBOR + 1%. Company B wishes to borrow 10 million at a floating rate for 5 years and has been offered 10% fixed or 6-month LIBOR + 0.5 %. How do they enter into a Swap agreement in which each benefit equally ? What risk did this arrangement generate ?
6. On April 2022, a Bank quotes the following :
   Spot Exchange Rate (US$ 1) INR 66.5525 / INR 67.5945
   2 months swap points 70/90
   3 months swap points 160/186
   In a spot transaction, delivery is made after two days.
   Assume spot date as April 5, 2022. Assume 1 swap point = 0.0001
   You are required to :
   i) Ascertain swap points for 2 months and 15 days (for June 20, 2022).
   ii) Determine foreign exchange rate for June 20, 2022 and
   iii) Compute the annual rate of premium/discount of US$ on INR, on an average.

P.T.O.

7. D company is Canadian affiliate of US manufacturing company, its balance sheet in thousands of Canadian dollars for 01/01/2019 is shown below :

Liabilities	CAN$	Assets	CAN$
Current Liabilities	60,000	Cash	1,00,000
Long term Debt	1,60,000	Account Receivables	2,20,000
Capital Stock (Net Worth)	6,20,000	Inventory	3,20,000
		Net Plant and Machinery	2,00,000
Total	**8,40,000**	**Total**	**8,40,000**

The Expected rate as on 01/01/2019 was CAN$ 1.6/$.

a) Determine D's accounting exposure on 01/01/2020 using current rate method.

b) Calculate D's contribution to its parents accounting loss if the expected rate on 31/12/2019 was CAN$ 1.8/$. Assume all account to remain as they were in beginning of the year.

SECTION – B

Answer **any three** of the following questions. **(3×10=30)**

8. Explain Transaction Exposure ? Discuss the major internal techniques used for management of transaction exposure.

9. Explain the importance of and motives for using International Credit and Financial Markets.

10. Currency exchange rates and Interest rates are as follows :

Current Singapore dollar spot rate US$ 0.55 / S$

1-year Singapore dollar forward rate US$ 0.56 / S$

1-year Singapore dollar interest rate 4.5%

1-year US interest rate 6.5%.

In what direction will Covered Interest Arbitrage (CIA) force the quoted rates to change ? Compute the profit based on $ 1 million initial position.

11. Suppose Company A wants 5-year fixed rate dollar funding while Company B wants 5-year fixed rate Japanese yen funding. Company A's direct borrowing all-in-cost is 9.50% in dollars and 7% in Japanese yen. Company B's direct borrowing all-in-cost is 8.25% in dollars and 8% in Japanese yen.
Refer to the quotes by a bank given below and design a swap between the two companies involving the bank.
What is the maximum gain for all parties involved through this swap ? What is the effective borrowing cost for each company ? How much does each company save through the swap ? How and explain.

Currency swaps

	Yen			U.S. dollar	
Term	**Bid**	**Offer**	**Term**	**Bid**	**Offer**
2	7.18	7.22	2	7.53	7.58
3	7.17	7.23	3	7.89	7.94
4	7.15	7.20	4	8.16	8.21
5	7.12	7.17	5	8.35	8.39
7	6.89	6.94	7	8.55	8.59
10	6.81	6.86	10	8.68	8.72

All of the above interest rate swap quotes are fixed rates against the six-month LIBOR rate in the same currency. The currency swap quotes are fixed rates in the currency concerned against six-month U.S. dollar LIBOR.

SECTION – C

Compulsory question. **(1×15=15)**

12. India International needs to order supplies 2 months ahead of delivery date. It is considering an order from Japanese that requires a payment of ¥ 12.5 million payable as of the delivery date.
India International has two option or choice
a) Purchase 2 call option contracts each option contract size is ¥ 6250000.
b) Purchase one future contract representing ¥ 12.5 million.

The future price of yen has historically exhibited a slight discount from the existing spot rate however the firm likes to use currency option to hedge in Japanese Yen for transaction 2 months in advance. India International would prefer hedging since it is uncomfortable to leave position open giving historical volatility of Yen. The current Yen spot rate is $ 0.0072. There are 2 call options available, call A with an excise price of 5% above spot price with premium of 2% the price to be paid per Yen if the option is exercised. Call B with an excise price of 10% above spot price with premium of 1.5% the price to be paid per Yen if the option is exercised. The 2-month future price of Yen is $ 0.006912. As an analyst you have been asked to answer insight of how to hedge assume the spot rate remain unchanged after 2 months.

a) Calculate option exercise price and premium for both the call options.

b) If India International decides to use call option to hedge Yen which call option, should it use ?

c) If India International decides to allow Yen to be un-hedged, will it benefit ? If so, calculate trade-off.

d) Which is the optimal choice for the company, call A or call B or future contract if the spot price on expiry becomes $ 0.00781 ?

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IV Semester M.B.A. Degree Examination, November 2022
(CBCS – 2014-15 and Onwards)
MANAGEMENT
Paper – 4.3.2 : International Marketing Strategy

Time : 3 Hours Max. Marks : 70

Instruction : *Answer* ***all*** *Sections.*

SECTION – A

Answer **any 5** questions. **Each** question carries **five** marks. **(5×5=25)**

1. Define International Marketing. Explain the objectives of it.
2. Explain the criteria to develop a target market.
3. How companies will prepare to implement exit strategy ?
4. Explain the Brand name selection procedure.
5. Discuss the factors influencing transfer pricing.
6. Explain the importance of export documentation.
7. Write a note on regional trade blocks.

SECTION – B

Answer **any 3** *questions.* **Each** *question carries* **ten** *marks.* **(3×10=30)**

8. Explain the domestic and International factors influencing International Marketing.
9. Briefly explain Global Market Entry Strategies.
10. Explain with suitable example the selection of International distribution channels.
11. Explain Regional Trade Blocks and Impact on International Marketing.

P.T.O.

SECTION – C

12. **Case study** : **(1×15=15)**

Compulsory question.

Before globalizing Indian economy, Indian had only three car Manufacturing Company's viz., "Hindustan motors", "Premier Auto Mobile" and "Standard motors" But today, Indian has number of car manufacturing companies both Indian and foreign origin manufacturing and marketing a variety of cars not only in India but also in developed countries.

Questions :

1) What marketing strategies that these companies are followed not only to sustain but also to improve the market share ?
2) Why foreign companies prefer India to set up their automobile manufacturing outfits ?
3) Do you approve of the opinion that the competition gives rise to quality enhancement and strategic marketing management by Indian companies ?

OP – 262

IV Semester M.B.A. Degree Examination, November 2022
(CBCS – 2014-15 and Onwards)
MANAGEMENT
Paper – 4.4.2 : International Human Resource Management

Time : 3 Hours Max. Marks : 70

SECTION – A

Answer **any five** questions, **each** carries **5** marks. **(5×5=25)**

1. Define International Compensation.
2. Define TCN, PCN, and HCN.
3. How is Tax calculation done in IHRM ?
4. What are the different types of Virtual Organisations ?
5. What are the ethics to be followed IHRM ?
6. How does TQHRM influence IHRM ?
7. Why is conflict management important in IHRM ?

SECTION – B

Answer **any three** questions, **each** carries **10** marks. **(3×10=30)**

8. How is Virtual Hiring better than Traditional Hiring process ?
9. What is the Japan method of IHRM ?
10. Describe the significance of International Education in International HRM.
11. Explain the process of knowledge management in IHRM. Give relevant example.

P.T.O.

SECTION – C

Compulsory Question. **(1×15=15)**

12. Case Study :

Adam was an HR professional who had just graduated from college. He was asked to oversee the organization's orientation programme during his first month on the job. Being a novice, he carefully followed the procedures. Roy only recently joined the company, thus Adam had to orient Roy. Adam took Roy around the company on his first day of work to acquaint him with the other employees. Unfortunately, Adam was unable to arrange a formal introduction for Roy to meet with his mentor because Roy's designated mentor was not present. Roy was informed by Adam during the HR briefing in the afternoon that there is a buddy system in place, but it is only available to those who choose to participate. Roy asked to select a friend. Roy's request caught Adam off guard because, according to Jean, Adam's manager, no one else in the company had ever asked for a buddy.

As a result, Adam asked Jean about the requirements for finding Roy a friend. According to her, Adam learned that the buddy should preferably come from Roy's department. Adam was intended to acquire Roy a buddy after clarifying the requirements, but due to his hectic schedule he was also involved in other HR issues, he apparently forgot about this and did not act on Roy's request right once.

One week later, Roy and Adam had lunch together. Adam introduced himself to Roy and asked him informally how he was doing and whether he was adjusting well to his new position. Roy brazenly and aggressively questioned Adam, "Where is your buddy ?". Inadvertently telling Roy that he thought Roy was making fun of the request for a buddy at that same moment because he did not want to admit to Roy that he had obviously forgotten about the whole thing. Adam accidentally remembered the existence of the request at that precise moment. Infuriated by Adam's response, Roy reprimanded him, saying that it was Adam's duty to find a friend and that he was extremely serious about doing so.

Adam apologised right once and made a vow to find him a friend because he was obviously humiliated and terrible about his error. Sam was found for Roy that same day as a friend. When Roy was able to have a formal meeting with his mentor, he was extremely upset with Adam and confronted him along with his friend. Roy was informed by Adam that the organisation does not currently have a procedure in place for meet-up sessions to be set up between mentors and mentees, instead, it is customary for mentees to take the initiative to set up meetings with their mentors. Adam also informed Roy that his mentor is currently out of town and won't be returning until the following day. Adam, who was also a new employee at the time, was commenting from both personal experience and what Jean had told him. Sam, who was in attendance, concurred and assisted Roy in understanding the procedure. Adam naively assumed that Roy had understood the organisational practise since Roy remained silent. As a result, Adam stopped asking Roy about this issue.

The following day, Adam was invited to attend Roy's manager's feedback meeting as part of the orientation programme. Roy brought up the fact that Adam failed to find him a friend right away and that he was never even introduced to his mentor. He expressed his displeasure with Adam because he believed that he was not performing his duties at all and he bemoaned the terrible management of the HR mentor and buddy system and that it was completely ineffective. Adam made an effort to explain what had happened to Roy and his manager. He also told Roy that he would consider his suggestions for improving the system and expressed regret for the incident. He informed Roy's boss that he would take Roy to visit his mentor after the meeting as the mentor had been out of the office for the previous week.

In front of his manager, Roy continued berating Adam since he was still not happy with him.

Questions :

a) From an HR practitioner point of view, what should Adam do to resolve the issue ?

b) Roy is very unhappy with Adam and holds it against him even though all has been done and followed up. What should Adam as HR do to resolve this and should Jean, as Adam's manager do something ?

c) What role does Roy's manager play in this issue and should he be implicated ?

OP – 265

IV Semester M.B.A. Degree Examination, November 2022
(CBCS – 2014-15 and Onwards)
MANAGEMENT
Paper – 4.2.3 : Risk Management and Derivatives

Time : 3 Hours Max. Marks : 70

SECTION – A

Answer **any five** of the following questions. **Each** question carries **five** marks. **(5×5=25)**

1. Briefly explain the various measures of risk analysis under capital budgeting.

2. What are commodity derivatives ? Write a brief note on commodity exchanges in India.

3. Differentiate between forward contracts and future contract with suitable examples.

4. A company employs certainty-equivalent approach in the evaluation of risky investments. The capital budgeting department of the company has developed the following information regarding new project.

Year	Expected Cash Flow (after tax)	Certainty-equivalent Quotient
0	2,00,000	1.0
1	1,60,000	0.8
2	1,40,000	0.7
3	1,30,000	0.6
4	1,20,000	0.4
5	80,000	0.3

5. Consider a three month maturity forward contract on a non-dividend paying stock. The stock is available for Rs. 250/- with continuously compounded risk free rate of interest of 8% per annum. What would be the price of forward contract ? Given $e^{0.02} = 1.0202$.

P.T.O.

6. From the following information prepare the margin account of the trader who had taken long position in one contract, number of units per contract if 50, price per unit on Day 1 is Rs. 700/-, initial margin is 12% and maintenance margin is 75%.

Day	1	2	3	4	5	6	7	8
Price	693	682	663	648	623	610	633	638

7. The current price of a share is Rs. 50/- and it is believed that at the end of one month the price will be either Rs. 55/- or 45/-. What will a European Call option with an exercise price of Rs. 53/- on this share be valued at if the risk free rate of interest is 15% per annum ?

SECTION – B

Answer **any three** questions. **Each** question carries **ten** marks. **(3×10=30)**

8. What are derivatives ? Explain different types of derivatives.

9. On January 1, 2021, Mr. Raj has a portfolio consisting of five securities as shown below :

Security	Number of Shares	Share Price	Beta
A	500	349.30	1.15
B	700	480.50	0.4
C	800	593.52	0.9
D	1000	734.70	0.95
E	200	824.85	0.85

The Cost of Capital to the investor is 10.5% per annum. You are required to calculate :

i) Beta of his portfolio.

ii) The theoretical value of the NIFTY futures for February 2021.

iii) The number of contracts of NIFTY the investor needs to sell to get a full hedge until February for his portfolio if the current value of NIFTY is 5900 and NIFTY futures have a minimum trade lot requirement of 200 units. Assume that the futures are trading at their fair value.

iv) The number of future contracts the investor should trade if he desires to reduce the beta of his portfolio to 0.6.

No. of days in a year 365. Given $e^{(0.01585)} = 1.01598$.

10. Nirmal Ltd. has an investment proposal, requiring an outlay of Rs. 40,000/-. The investment proposal is expected to have 2 years economic life with no salvage value. In year 1, there is 0.4 probability that cash inflow will be Rs. 25,000/- and 0.6 probability that cash inflow will be Rs. 30,000/- . The probabilities assigned to cash inflows after tax for the year are as follows :

Cash inflow in year 1 Rs. 25,000/-		Cash inflow in year 1 Rs. 30,000/-	
Cash inflow in year 2	**Probability**	**Cash inflow in year 2**	**Probability**
12,000/-	0.2	20,000/-	0.4
16,000/-	0.3	25,000/-	0.5
22,000/-	0.5	30,000/-	0.1

11. What is Risk ? Explain the various types of risk a business enterprise is exposed to, with examples.

SECTION – C

Compulsory. **(1×15=15)**

12. Ajeet Corporation is considering the risk characteristics of a certain project. The firm has identified that the following factors, with respective expected values, have a bearing on the NPV of this project.

Initial Investment	Rs. 30,000
Cost of Capital	10%
Quantity manufactured and sold annually	1,400
Price per unit	Rs. 30/-
Variable cost per unit	Rs. 20/-
Fixed costs	Rs. 3,000/-
Depreciation	Rs. 2,000/-
Tax Rate	50%
Life of the project	5 years
Net Salvage value	Rs. Nil

Assume that the following underlying variables can take the values as shown below :

Underlying Variable	**Pessimistic**	**Optimistic**
Quantity manufactured and sold	800	1800
Price per unit	Rs. 20/-	Rs. 50/-
Variable cost per unit	Rs. 40/-	Rs. 15/-

a) Calculate the sensitivity of NPV to variations in
   i) Quantity manufacture and sold
   ii) Price per unit
   iii) Variable cost per unit.

b) Calculate the accounting break-even and the financial break-even.

OP – 266

IV Semester M.B.A. Degree Examination, November 2022
(CBCS – 2014-15 and Onwards)
MANAGEMENT
Paper – 4.3.3 : Digital Marketing

Time : 3 Hours Max. Marks : 70

***Instruction** : Answer **all** Sections.*

SECTION – A

Answer **any five** questions of the following. **Each** question carries **five** Marks. **(5×5=25)**

1. What is Google adwords ? Briefly explain the web presence goals.
2. Explain elements of customer profile with examples.
3. Describe the paid vs organic search engine with example.
4. Discuss about twitter, You Tube and sms campaign.
5. How to use blog ? Explain different online platforms for forum discussions.
6. What is social media measurement ? Explain the challenges of social media measurement.
7. Explain the micro environment factors of digital marketing.

SECTION – B

Answer **any three** questions of the following. **Each** question carries **ten** marks. **(3×10=30)**

8. Define keywords ; explain the importance of keywords with an example.
9. What is SEO ? Explain the SEO & SEM process and methodologies.
10. What is content marketing ? Explain the integrating online & offline strategies.
11. What is SWIFT ? Briefly explain types of ATMs with suitable examples.

P.T.O.

SECTION – C

12. Case Study (**Compulsory**) : **(1×15=15)**

Zomato's Digital Marketing Strategy

When Zomato launched, it aimed to be the best restaurant search and discovery platform. It had the names of various restaurants, their menu, their prices, reviews and other details. It provided in-depth information on over 1.4 million restaurants across 23 countries. Over the years, it has converted itself into an online food delivery platform. People can now order food from the restaurants near them using their app or website. Zomato has delivery executives who pick up the order from the eatery and deliver it to the address provided by the customer, Now that we are discussing Zomato, let's take a look at their marketing strategy too.

Zomato's target audience includes people between 18 to 35 years of age who have access to smartphones and are comfortable in using apps. It targets two kinds of customers : The first group includes people who want to order their food home and the second group includes people who prefer to dine out. In Lot of cases, these groups overlap. It offers food delivery to those who need it delivered as well as gives incentives to people to dine out through its Zomato Gold program. Working professionals who need food in their offices, students who need food in their hostels, people who do not have time or space to cook for themselves, and people who occasionally like to eat outside food- all form a part of Zomato's target audience.

Questions :

a) If you are entrepreneur for this company, how do you segment the audience group and use behavioural targeting strategy ?

b) What kind of interface do you provide for the customers, which social media platforms will you use to introduce your product ?

c) What are the Digital Marketing Strategy you can apply for the connecting emotional ads and ORM ?

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IV Semester M.B.A. Degree Examination, November 2022
(CBCS – 2014-15 and Onwards)
MANAGEMENT
Paper – 4.4.3 : Talent and Knowledge Management

Time : 3 Hours Max. Marks : 70

SECTION – A

Answer **any five** of the following questions. **Each** question carries **5** marks. **(5×5=25)**

1. What is Talent Management ? Also state the role of Talent Management.
2. Describe the meaning and importance of Knowledge Management.
3. Differentiate between Talent Workers and Knowledge Workers.
4. Explain the emerging trends in Talent Management.
5. Explain the process of Succession Management.
6. Explain the meaning of Talent Development Budget.
7. Explain the process of integrating compensation with Talent Management.

SECTION – B

Answer **any three** questions. **Each** question carries **10** marks. **(3×10=30)**

8. Return on Talent is critical for organizations. In this context ROT Measurements, Explain.
9. What is knowledge creation ? Explain the Nonaka's model of knowledge creation and transformation.
10. "Talent Management is the foremost responsibility of a successful management." *In the light of this statement, explain the importance of Talent Management in* the cut throat competitive era of today.
11. Write short notes :
    a) Contingency plan for talent.
    b) Psychometrics for Talent Management.

P.T.O.

SECTION – C

12. **Compulsory**-Case Study : **(1×15=15)**

Ms. Rani, a research scholar suggests that the privileging and prioritizing of what she calls expert or theoretical knowledge can result in local, contextual tacit knowledge becoming so marginalized that it can be often neglected if not ignored. One of the most vivid organizational examples, she gives to illustrate her argument concerns the knowledge of some delivery drivers employed by a bakery. The owners of the bakery decided that they wanted to better understand the changing nature of the tastes and demands of the final customers who bought their goods (which they bought from the shops that were the bakery's direct customers). Despite of the fact that the some of the bakery's own employees (the delivery drivers who took their goods to the shops) arguably possessed such knowledge, through the Ongoing conversations they had with the shops' owners that happened when their deliveries were made, this source of knowledge wasn't used.

Instead, the bakery's owner spent a significant amount of money employing external consultants to conduct some market research. For Rani, the reason that the delivery driver's knowledge was overlooked and not used was due to its character. Fundamentally, this knowledge was tacit, subjective, experience based and content specific and was possessed by the workers low down in the organizational hierarchy. For the owners of the bakery this was regarded as a less legitimate and less objective form of knowledge to that which the market research consultants could provide (which was regarded as objective, abstract, generalizable and scientific). Rani suggests that this is far from an isolated example and that the privileging of theoretical knowledge over local contextual, tacit knowledge is an attitude which is prevalent in many, if not majority of the organizations.

i) Do you agree with this conclusion regarding the dominance of this perspective ?

ii) Do you think potentially important and useful knowledge is overlooked and neglected due to its tacit ? Contextual and experiential character.