

Question Paper Set of

T.Y.B.M.S. – Sem-VI

Regular Exam

University of Mumbai

April, 2017

B. M. S.

Q.P. Code :04197

[Time: 2½ Hours]

[Marks:75]

Please check whether you have got the right question paper.

N.B: 1. Figures to the right indicate full marks.

2. Attempt All question.

1	Answer the following (any two) a) Enumerate on the need and relevance of corporate communication in India. b) Explain in detail the various factors affecting corporate image. c) Write note on RTI.	15
2	Answer the following (any two) a) What are the objectives of public relations. b) How do social and cultural trends influence business of a company? c) Explain Systems theory used in public relation.	15
3	Answer the following (any two) a) What are the principles of good media relation? b) Explain the steps in implementing an effective employee communication program. c) What is financial advertising? State its advantages.	15
Q.4	Answer the following (any two) a) Explain web conferencing and Really simple syndication. b) What are the advantages of using website for brand identity? c) Explain the process of making a business blog.	15
Q.5	Solve the following case Pepsi corporation faced a major crisis in 1993 with claims of syringes being found in cans of Diet Pepsi. The company had the situation investigated which led to arrest of a woman who was caught on video while inserting a syringe into the can. The company also made public communication effective throughout the crisis. They also ran series of special campaigns designed to thank public for standing by the corporation. a) Analyze the case and enumerate on importance of crisis management. b) Mention the guidelines for handling a crisis.	15

[Time: 2½ Hours]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:
1. All the questions are compulsory.
 2. All the questions carry equal marks.

Q.1 Answer any two of the following.

- a) What do you understand by the term media planning? Explain its scope.
- b) Explain the role of media planner.
- c) Explain in brief the different sources of media Research.

Q.2 Answer any two of the following.

- a) Explain how do you decide on ideal Media Mix?
- b) Explain the factors affecting selection of Radio Media decision.
- c) Explain in brief the different steps in formulating media strategy.

Q.3 Answer any two of the following.

- a) Explain the Methods of setting media budget.
- b) Explain the process of media buying.
- c) What is Media Scheduling? Explain the different scheduling strategies for creating impact.

Q.4 Answer any two of the following.

- a) Explain the Basic metrics related to media measurement.
- b) Explain PLAN metrics in media measurement.
- c) Explain the different methods to evaluate Print media buying.

Q.5 CASE STUDY

The fast moving consumer goods (FMCG) segment is the fourth largest Sector in the Indian Economy. The Market size of FMCG in India is estimated to grow from US \$ 30 billion in 2011 to US\$ 74 billion in 2018. Food products is the leading segment, accounting for 43 percent of the overall market. Personal care (22 percent) & Fabric care (12 percent) come next in terms of Market share. Growing awareness, easier access, & changing lifestyles have been the key growth drivers for the sector.

FMCG goods are popularly known as consumer Packaged goods. Items in this category include are consumables (other than groceries / pulses) People buy at regular intervals. The most common in the list are toilet soaps, detergents, shampoos, toothpaste, shaving products, shoe polish, packaged food stuff, & household accessories & extends to certain electronic goods. These items are meant for daily and frequent consumption & have a high return.

Rural areas expected to be the major drivers for FMCG, as growth continues to be high in these regions. Rural areas saw a 16 percent, as against 12 percent rise in urban areas. Most companies rushed to capitalize on this, as they quickly went about increasing direct distribution & providing better infrastructure companies are also working towards creating specific products specially targeted for the rural markets.

Questions :

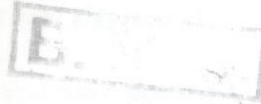
As a media planner of the company :

1. How would you go about media planning decision for FMCG company?
2. What would be the ideal media Mix available for FMCG products?

19

Amy

|o/c| 26/04/17



Q.P. Code : 04287

[Time: 2½ Hours]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:
1. All questions are compulsory and carry 15 marks each.
 2. Solve **any 2** out of (A), (B) and (C) in Questions 1 to 4.

Q. 1

- a) Discuss the factors responsible for the growth of organized retail in India
- b) Explain the following with relevant examples:
 - i. FDI
 - ii. Bar Coding
 - iii. Off price Retailers
- c) Explain the non-store based retail formats.

(15)

Q. 2

- a) Explain the steps in developing retail strategy
- b) Explain the objectives of CRM in retail
- c) Discuss in detail the factors influencing retail shoppers

(15)

Q. 3

- a) What do you mean by merchandising? Explain the principles of merchandising
- b) Discuss the need and importance of private label brands
- c) Explain any Five pricing strategies that can be adopted by the retailer.

(15)

Q. 4

- a) Discuss the 5 S's of Retail Operations
- b) What do you mean by signage? Explain its significance
- c) Explain the tools used for visual merchandising

(15)

Q. 5

Case Study

Subhiksha, Indian fledgling retail chain having been started by the alumnus of the prestigious B-school, IIM-A, the long-term success, survival and profitability of Subhiksha was expected. In the light of India's promising retail potential, huge investments were made by several big corporate houses of India, jacking up the prices of all the related parts of the industry. Being a pioneer in the organised retailing in India, Subhiksha became India's largest retail chain with 1,665 stores across the country. In the process it succeeded in building a sound brand name over years with its no-frill, discount format. With Indian organised retail industry blooming under the economic liberalisations and attention from the global players, Subhiksha was expected to grow bigger, but as global recession set in, credit markets froze and Subhiksha stumbled as its capital structure could not support the requirement. Lack of liquidity and overexpansion troubled Subhiksha as it failed to pay rent to the landlords and salary to its employees. Operations came to a standstill.

- a) Analyse the factors responsible for the rise of Subhiksha
- b) Briefly discuss the reasons for the fall of Subhiksha
- c) Discuss some strategies for Subhiksha to come out of the crisis

(05)

(05)

(05)

27/04/17

B. M. S.

Pm/fin/1/1/1

Q.P. Code :03000

20

[Time: 2½ Hours]

[Marks:]

Please check whether you have got the right question paper.

- N.B:
1. All questions are compulsory subject to internal choice.
 2. Figures to the right indicate full marks.
 3. Working notes are a part of your solution.

Q.1 Answer any two of the following.

- a) Explain the problems in financial services sector.
- b) Ambitious Co. Ltd. has account receivables worth Rs. 120 lakhs. Optimum Factor Ltd. offers non-recourse factoring services to Ambitious Ltd. The factor would pay 80% of the value of the factored receivables @ 14% interest compounded quarterly. The remaining amount is retained as factor reserve. It also guarantees payment after three months from the date of purchase of the receivables. The factoring commission is 3% of the value of factored receivables. It is decided that interest and commission will be collected in advance.
 - 1) Find out the advance payable to Ambitious Co.
 - 2) Calculate the effective cost of funds on an annualized basis that is made available to Ambitious Co.
 - 3) Estimate the effective cost of funds based on the assumption that commission is collected in advance and the interest is collected in arrears.
- c) Distinguish between Factoring and Bill discounting.

Q.2 Answer any two of the following.

- a) Explain the role and obligations of Banker to an Issue.
- b) Explain any three types of derivative contracts.
- c) What is securitization and explain the types of securitization instruments.

Q.3 Answer any two of the following.

- a) Discuss the features of venture capital finance.
- b) Briefly explain the Housing finance institutions in India.
- c) On April 1, 2016 a railway company buys on the hire-purchase system a truck for Rs. 1,50,000 payable Rs. 30,000 cash as a down payment. The balance payment shall be made in four annual installments of Rs. 30,000 principal portion plus interest at 12% per annum. The installments are payable on 31st December each year. The first installment being payable on 31.12.2016. Prepare the ledger accounts of the Truck a/c and Hire Purchase Vendor a/c in the books of the Railway company for 4 years assuming that the accounts are closed on 31st December each year.

Q.4 Answer any two of the following.

- a) Explain the terms and conditions of consumer finance.
- b) Explain the features of smart cards.
- c) Discuss the limitations of credit rating.

Q.5 Case study

Ms. Dilip is a businessman. He has to travel all over India to meet clients. He incurs various expense related to hotel, tickets, entertainment, etc. Several times he finds it difficult to use his debit card due to shortage of funds and last minute travel plans. He approaches his banker for a better alternative.

- 1) Assume yourself as a banker and offer him a type of card. Justify your answer.
- 2) List down the merits of the offered card.
- 3) List the precautions to be taken for usage of the card.

[Time: 2 ½ Hours]

[Marks: 75]

Please check whether you have got the right question paper.

- N.B:
1. All questions are compulsory
 2. Figures to right indicate full marks.

Answer the following (any two)

- (a) Discuss various orientations of International Marketing.
- (b) What are the types of Tariff barriers?
- (c) Explain the Process of International Marketing.

Answer the following (any two)

- (a) Explain the HOFSTEDE's six dimensions of culture.
- (b) Explain the scope of Research in International Marketing.
- (c) How can Political factors pose a challenge for an International Marketers?

Answer the following (Any two)

- (a) Explain the following concepts (2.5 marks each)
 - i) Counter Trade
 - ii) Skimming Pricing
 - iii) Labelling
- (b) Explain the various types of distribution channels in International Markets.
- (c) What factors would you consider for pricing your products before entering International Market?

Answer the following (Any two)

- (a) What are the features of International Service Marketing?
- (b) Explain the need for International Strategies.
- (c) How to control International Marketing operations?

Case Study:-

A renowned food chain in Punjab "Santa Banta Chole Bhature" Restaurant willing to enter Canada markets. As an expert in Marketing suggest the following:

- a) Mode of Entry. Justify
- b) Suitable Marketing Mix Plan

Q.P. Code : 02025

[Time: 2½ Hours]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:
1. All questions are compulsory.
 2. Figures to the right indicate full marks.
 3. Support your answer with suitable examples.

- Q. 1** Answer any 2 questions from the following. (15)
- a) Elaborate on the requisites of Indian ethos.
 - b) What are the management Lessons Learned from the Bible?
 - c) What is the role of Indian Ethos in Managerial Practices?
- Q. 2** Answer any 2 questions from the following. (15)
- a) Discuss the steps in Work Ethos.
 - b) State the values for Indian Managers.
 - c) Explain the importance of Transcultural human values in management.
- Q. 3** Answer any 2 questions from the following. (15)
- a) What of Stress? Explain its types.
 - b) Explain brainstorming in brief.
 - c) Describe the techniques of motivation.
- Q. 4** Answer any 2 questions from the following. (15)
- a) Explain the pros and cons of Gurukul system.
 - b) Discuss the importance of Karma to managers.
 - c) Write a detailed note on Self Management.
- Q. 5** Read the given Case Study and answer the below questions: (15)
- Mr. Prabhu Shah owns a small business, employing 30 semi-skilled workers. Most of the workers are not very qualified. Some of them are illiterate. Mr. Prabhu is a task master and very autocratic in his behavior with the workers.
- His son Mr. Sanjay Shah has just graduated from Bajaj Institute of Management Specializing in HR. He has joined his father's business. His working style is influenced by the principles of Indian Ethos and OB. He believes in participative management.
- Mr. Prabhu called his son and said to him "Sanjay, I have been observing your working style for the past few days. You are too nice to people. I know you are too nice to people. I know you are taught Human relations in management, but it does not work in real life".
- 1) Comment on the leadership style of Mr. Prabhu and Mr. Sanjay.
 - 2) Do you agree with Mr. Prabhu? Give reasons.

Please check whether you have got the right question paper.

- N.B:
1. All questions are compulsory.
 2. Figures to the right indicate marks on the question.

1 Attempt any two.

- A) What is BOP? What are its components?** 7.5
- B) The following quote is given by a bank in Mumbai: 1 USD = INR 62.2325-75** 7.5
- 1) Is this quote "Direct" or "Indirect" in Mumbai?
 - 2) Calculate the Mid rate, spread and Spread Percent.
 - 3) Calculate the Inverse Quote.
- C) Bank "A" in Zurich quotes: CHF 1.0375-25 per USD** 7.5
Bank "B" in Frankfurt quotes: CHF 1.3825-75 per EUR
What shall be the derived value of USD per EUR?
If Bank "C" in London quotes USD 1.3550-275 per EUR then calculate the triangular arbitrage, if any on assumed capital of 1 million

2 Attempt any two.

- A) What are the reasons for the failure of Bretton Woods system?** 7.5
- B) Give the best option to invest INR 6 million for a temporary period of 6 months.** 7.5
INR Interest Rate: 4% p.a.

Currency:	Spot Rate	Interest Rate	6 Months Fwd rate
USD	46.6550-75	2.25% p.a.	46.1500-50
GBP	78.1250-25	3.50% p.a.	78.9400-50
CHF	39.3725-75	1.50% p.a.	39.8375-25

- C) Spot SGD/SEK 5.1950-00** 7.5
60 Days Forward rates 5.2450-00
SGD interest rates: 4.00%-6.00%
SEK interest rates: 3.40% – 3.60%
Establish covered interest arbitrage if any on one million.

3 Attempt any two.

- A) What are the factors contributing to the growth of Euro Currency Market?** 7.5
- B) What is ADR? How is it different from GDR? Explain various types of ADRs.** 7.5
- C) Discuss the factors which affect floating exchange rates.** 7.5

Q.P. Code :06919

4 Attempt any two.

A) What is FDI? State differences between FDI and FPI.

7.5

B) Discuss the origin and growth of Tax Havens.

7.5

C) What is BIS? Describe its role.

7.5

5 Attempt any two.

A) Read the following case and answer the questions given below

India's balance of payments (BoP) turned negative in the second quarter of 2015 after a gap of seven quarters. As per Reserve bank of India (RBI) data, the country witnessed \$0.86 billion depletion in reserve assets, the depletion last seen in the September 2013 (quarter) was \$10.4 billion, due to flight of foreign institutional investors (FII's) and capital outflows on the loan account.

FIIs were solely responsible for the depletion of reserves this quarter. India saw net FII outflows of \$6.5 billion between July and September 2015. FII inflows had started surging from the beginning of the calendar year 2014 but turned negative in the June 2015 quarter. Net outflow of portfolio investments intensified to \$6.5 billion from \$2.6 billion in the June 2015 quarter. Unlike in April-June 2015, the September quarter saw a bulk of the outflows from equity market.

Net foreign direct investments (FDI) in India during July-September 2015 were at \$6.6 billion, the lowest in the past six quarters. A major chunk of this investment flew in from Singapore and Mauritius and went into telecom, software, automobile, mining, construction and other services sector.

Other investment in India during the September 2015 quarter amounted to \$8.8 billion. Half of it came in the form of NRI deposits. While the other half was divided between external assistance, ECBs and banking capital.

It is worth noting that although net of other investment during July-September showed a big jump over the investment of mere \$1.1 billion in the year-ago quarter, it is substantially lower than the investment seen in this account in the preceding three quarters.

Overall, the country witnessed net capital inflows (Excluding reserves) of \$7.2 billion during July-September 2015, the lowest quarterly inflow in the past two years. These inflows were not sufficient to cover the country's current account deficit, Which amounted to \$8.2 billion

1) What was the reason behind India's BOP turning negative in the second quarter of 2015?

2.5

2) In which sectors, July – September 2015 FDI in India went into?

2.5

3) What were other net investments comprised of during July – September 2015 in India?

2.5

4) What measures can be adopted by any country to improve their position of BOP?

2.5

B) Solve the following

05

Spot EUR / AUD 1.3932

3 Month AFM: Premium 1.75%

Calculate 3 Month Forward EUR / AUD rate.

[Marks:75]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:**
1. All questions are compulsory.
 2. Figures to the right indicate full marks.
 3. Use of non-programmable calculator is allowed and mobile phones are not allowed.
 4. Normal distribution table is printed on the last page for reference.
 5. Support your answers with diagrams/ illustrations, wherever necessary.
 6. Graph paper will be supplied on request.

Attempt any two from the following :

Solve by simplex method

$$\text{Max } Z = 8x_1 + 20x_2$$

subject to:

$$2x_1 + x_2 \leq 80 \dots \text{Resource I}$$

$$3x_1 + 4x_2 \leq 96 \dots \text{Resource II}$$

$$(x_1, x_2) \geq 0$$

Find optional profit (Max Z)

7.5

ABC Ltd. manufactures two products P and Q. Profit per unit for P and Q is Rs 40 and Rs 80 respectively. One unit of P requires 2 machines hours and one unit of Q requires 3 machines hours. Availability of machine hours is 48. 7.5

Maximum market demand for P is 15 units and for Q is 10 units. Formulate as LPP and solve by graphical method to obtain maximum total Profit.

Answer the following:

- Explain the use of slack, surplus and artificial variables in simplex method. 2.5
- Explain what is redundant constraint in graphical solution with the help of a neat sketch. 2.5
- Explain the different types of constraints in LPP. 2.5

Attempt any two from the following:

A company has three factories F₁, F₂ and F₃ with supply of 800, 600 and 1000 units respectively. There are four warehouses W₁, W₂, W₃ and W₄ with demand of 400, 500, 700 and 800 units respectively. A feasible solution is given below. (With allocations and unit cost data).

- Test the solution for optimality using modified distribution method. 03
- If the solution is not optimal, find optimal solution by modifying it. 3.5
- Find minimum transportation cost. 01

From \ To	W1	W2	W3	W4	Supply
F1	12 300	6 500	20	25	800
F2	6 100	11	15 500	12	600
F3	9	15	17 200	7 800	1000
Demand	400	500	700	800	2400 2400

- b. There are four machines M_1 , M_2 , M_3 and M_4 . There are five jobs P, Q, R, S and T.

Cost of doing each job on each machine is given below (in Rs. hundreds).

Machine M_2 cannot process Job R and Machine M_3 cannot process Job P.

Find optional assignment of machines and jobs to minimize total cost.

Machines \ Jobs	P	Q	R	S	T
M_1	9	11	15	10	11
M_2	12	9	-	10	9
M_3	-	11	14	11	7
M_4	14	8	12	7	8

c. Answer the following:

- Explain the steps involved in solution of an unbalanced maximization assignment problem. 2.5
- Explain what is meant by degeneracy in a transportation problem and how to resolve it. 2.5
- Explain why Vogel's approximation method (VAM) is a better method than North West corner rule (NWCR) to find initial feasible solution of a transportation problem. 2.5

Q.3 Attempt any two from the following:

- a. A small project consists of following activities

Activity	Preceding activity	Time (days)
A	-	4
B	-	5
C	-	7
D	A	6
E	B	7
F	C	6
G	D	5
H	E	8
I	F	5

- Draw network diagram and find critical path and project completion time. 3.5
 - Find earliest and latest starting and finishing times of all activities (EST, EFT, LST, LFT). 04
- b. Three time estimates are given for each activity of following project.

Activity	Optimistic (a)	Most likely (m)	Pessimistic (b)
1-2	6	6	24
1-3	6	12	18
1-4	12	12	30
2-5	6	6	6
3-5	12	30	48
4-6	12	30	42
5-6	18	30	54

- Tabulate expected time (t_e) and variance of all activities. 03
- Draw network diagram and find total project completion time (Critical path). 2.5
- What will be project completion for 90% confidence of completion? 02

c. Answer the following:

- Explain difference between CPM and PERT.
- Explain what is time cost trade off in project crashing.
- What are the objectives of project crashing?

2.5

2.5

2.5

Q.4

Attempt any two from the following:

- a. Four strategic alternatives S_1 , S_2 , S_3 and S_4 are available for countering four states of nature N_1 , N_2 , N_3 and N_4

States of nature				
	N_1	N_2	N_3	N_4
Probability	0.2	0.1	0.3	0.4
Strategy S_1	1200	1200	1200	1200
Strategy S_2	1040	1280	1280	1280
Strategy S_3	880	1080	1360	1360
Strategy S_4	700	840	1080	1440

Based on the above information:

- Calculate EMV (expected monetary value) for each strategy and find optimal decision.
- Find EPPI (expected payoff with perfect information) and EVPI (expected value of perfect information).
- Construct regret table and calculate EOL (expected opportunity loss).

03

02

2.5

- b. Following payoff matrix refers to a two player game, player A and player B. Each player has four strategic options.

(Pay off in Rs.)

Player B

		I	II	III	IV
Player A	I	500	260	200	210
	II	-50	-100	-40	240
	III	200	400	160	-20
	IV	250	300	100	50

- Find the Maximin Strategy.
- Find the Minimax Strategy.
- What is the value of the Game?

2.5

2.5

2.5

- c. Five jobs I, II, III, IV and V are to be processed on two machines A and B in the order AB.

Job	Processing time (minutes)	
	Machine A	Machine B
I	90	70
II	40	80
III	40	50
IV	30	10
V	25	35

- Find optimal sequence of jobs.
- Find total minimum elapsed time.
- Find idle time for each machine.

02

3.5

02

Q.5

A company produces two products A and B. Profit per unit for A and B is Rs 30 and Rs 50 respectively. Three resources M_1 , M_2 and M_3 are utilized. Capacities of M_1 , M_2 and M_3 are 4, 6 and 12 hours respectively. Following feasible solution has been obtained by simplex method. Based on the solution answer the following questions.

$C_j \rightarrow$		30	50	0	0	0	
C	X	X_1	X_2	S_1	S_2	S_3	B_i
0	S_1	1	0	1	0	0	4
0	S_2	$-\frac{3}{2}$	0	0	1	$-\frac{1}{2}$	0
50	X_2	$\frac{3}{2}$	1	0	0	$\frac{1}{2}$	6
Z_j		75	50	0	0	25	

- Is this optimal solutions? Justify.
- What is optimal product mix and optimal profit?
- Is there degeneracy in the solution? Justify.
- Is it unique solution or are there multiple optimal solution? Justify.
- What are the shadow prices of M_1 , M_2 and M_3 ?
- Which resources are scarce and which are abundant?
- Find percentage utilization of M_1 and M_2 .

02
02
02
02
03
02
02

Q.P. Code : 01856

NORMAL DISTRIBUTION TABLE

Area Under Standard Normal Distribution

	0.00	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09
0.0	0.0000	0.0040	0.0080	0.0120	0.0160	0.0199	0.0239	0.0279	0.0319	0.0359
0.1	0.0398	0.0438	0.0478	0.0517	0.0557	0.0596	0.0636	0.0675	0.0714	0.0753
0.2	0.0793	0.0832	0.0871	0.0910	0.0948	0.0987	0.1026	0.1064	0.1103	0.1141
0.3	0.1179	0.1217	0.1255	0.1293	0.1331	0.1368	0.1406	0.1443	0.1480	0.1517
0.4	0.1554	0.1591	0.1628	0.1664	0.1700	0.1736	0.1772	0.1808	0.1844	0.1879
0.5	0.1915	0.1950	0.1985	0.2019	0.2054	0.2088	0.2123	0.2157	0.2190	0.2224
0.6	0.2257	0.2291	0.2324	0.2357	0.2389	0.2422	0.2454	0.2486	0.2517	0.2549
0.7	0.2580	0.2611	0.2642	0.2673	0.2704	0.2734	0.2764	0.2794	0.2823	0.2852
0.8	0.2881	0.2910	0.2939	0.2967	0.2995	0.3023	0.3051	0.3078	0.3106	0.3133
0.9	0.3159	0.3186	0.3212	0.3238	0.3264	0.3289	0.3315	0.3340	0.3365	0.3389
1.0	0.3413	0.3438	0.3461	0.3485	0.3508	0.3531	0.3554	0.3577	0.3599	0.3621
1.1	0.3643	0.3665	0.3686	0.3708	0.3729	0.3749	0.3770	0.3790	0.3810	0.3830
1.2	0.3849	0.3869	0.3888	0.3907	0.3925	0.3944	0.3962	0.3980	0.3997	0.4015
1.3	0.4032	0.4049	0.4066	0.4082	0.4099	0.4115	0.4131	0.4147	0.4162	0.4177
1.4	0.4192	0.4207	0.4222	0.4236	0.4251	0.4265	0.4279	0.4292	0.4306	0.4319
1.5	0.4332	0.4345	0.4357	0.4370	0.4382	0.4394	0.4406	0.4418	0.4429	0.4441
1.6	0.4452	0.4463	0.4474	0.4484	0.4495	0.4505	0.4515	0.4525	0.4535	0.4545
1.7	0.4554	0.4564	0.4573	0.4582	0.4591	0.4599	0.4608	0.4616	0.4625	0.4633
1.8	0.4641	0.4649	0.4656	0.4664	0.4671	0.4678	0.4686	0.4693	0.4699	0.4706
1.9	0.4713	0.4719	0.4726	0.4732	0.4738	0.4744	0.4750	0.4756	0.4761	0.4767
2.0	0.4772	0.4778	0.4783	0.4788	0.4793	0.4798	0.4803	0.4808	0.4812	0.4817
2.1	0.4821	0.4826	0.4830	0.4834	0.4838	0.4842	0.4846	0.4850	0.4854	0.4857
2.2	0.4861	0.4864	0.4868	0.4871	0.4875	0.4878	0.4881	0.4884	0.4887	0.4890
2.3	0.4893	0.4896	0.4898	0.4901	0.4904	0.4906	0.4909	0.4911	0.4913	0.4916
2.4	0.4918	0.4920	0.4922	0.4925	0.4927	0.4929	0.4931	0.4932	0.4934	0.4936
2.5	0.4938	0.4940	0.4941	0.4943	0.4945	0.4946	0.4948	0.4949	0.4951	0.4952
2.6	0.4953	0.4955	0.4956	0.4957	0.4959	0.4960	0.4961	0.4962	0.4963	0.4964
2.7	0.4965	0.4966	0.4967	0.4968	0.4969	0.4970	0.4971	0.4972	0.4973	0.4974
2.8	0.4974	0.4975	0.4976	0.4977	0.4977	0.4978	0.4979	0.4979	0.4980	0.4981
2.9	0.4981	0.4982	0.4982	0.4983	0.4984	0.4984	0.4985	0.4985	0.4986	0.4986
3.0	0.4987	0.4987	0.4987	0.4988	0.4988	0.4989	0.4989	0.4989	0.4990	0.4990

30
TY BMS Finance
28/04/17
B. M. S.

Q.P. Code : 01731

[Marks: 75

[Time: 2½ Hours]

Please check whether you have got the right question paper.

N.B:

- 1) All questions are **compulsory** subject to internal choice.
- 2) Figures to right indicate full marks.

15

Q. 1 Attempt any two questions:-

- a) Explain main objectives (need) of project management.
- b) Define organizational structure and explain types of organizational structure.
- c) Eagle Ltd has an investment opportunity costing ₹ 50,000 with following expected. Net cash flows.

Year	(₹) Net cash flows
1	8,000
2	9,000
3	10,000
4	13,000
5	12,000
6	10,000
7	8,000
8	2,000

Evaluate the project by 'Profitability Index' method taking 9% discount factor for NPV.

15

Q. 2 Attempt any two questions:-

- a. Explain 'SWOT' analysis with respect to project management.
- b. Explain 'Ecommerce' in project management.
- c. Explain the meaning of operational management and its importance.

15

Q. 3 Attempt any two questions:-

- a. Explain government assistance towards project management for start ups.
- b. Calculate the operating leverage, financial leverage, combined leverage; also show income statement.

Particulars	A
Output in units	75,000
Fixed cost (₹)	70,000
Unit variable cost (₹)	7.50
Interest Expenses (₹)	40,000
Unit selling price (₹)	25

TURN OVER

- c. Tiger Ltd wishes to takeover leoperd Ltd the financial details of the two companies are as under:

Particulars	Tiger Ltd	Leoperd Ltd
Equity Share Capital (₹ 10/share)	1,00,000	50,000
Security premium Account	-	2,000
Profit and loss account	38,000	4,000
Preference Share Capital	20,000	-
10% Debentures	15,000	5,000
Total	1,73,000	61,000
Fixed assets	1,22,000	35,000
Net current assets	51,000	26,000
Total	1,73,000	61,000

Calculate the Net Asset Value for share and find out the exchange ratio.

Q. 4 Attempt any two questions.

15

- Explain in detail Project Management Maturity Model (PMMM).
- Write a short note on project monitoring and controlling.
- Write down the reasons to terminate the project.

Q. 5 Solve the following case:-

15

Falcon Ltd is furnishing you the following information:-

Proposed set up at western industrial corridor near Rajasthan.

- Tax rate is @ 35%
- Expected Return on Investment @ 25%
- Depreciation per annum ₹ 250 Lakhs.
- Term loan Required ₹ 4000 Lakhs
- Interest rate @ 15%
- Tenure of loan = 8 years repayable with installment at the end of each year
- Tax holiday for first 5 years.
- Principle amount is payable in equal installment of ₹ 500 lakhs each year.

TURN OVER

The cost of the project and the means of finance are as follows:-

Proposed Project	₹ in Lakhs
Cost of Project:-	
Plant and Machinery	3,000
Factory Building	1,000
Working capital	400
	4,400
Means of Finance	
Additional Equity share capital	300
Retained Earnings	100
Term Loan	4000
	4,400

Finance manager of the financial institution has requested you to :-

- Evaluate the project for profitability for 3 years.
- Show Loan Amortization schedule

Q.P. Code :06919

[Time: 2:30 Hours]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:
1. All questions are compulsory.
 2. Figures to the right indicate marks on the question.

Q.1 Attempt any two.

A) What is BOP? What are its components?

7.5

B) The following quote is given by a bank in Mumbai: 1 USD = INR 62.2325-75

7.5

- 1) Is this quote "Direct" or "Indirect" in Mumbai?
- 2) Calculate the Mid rate, spread and Spread Percent.
- 3) Calculate the Inverse Quote.

C) Bank "A" in Zurich quotes: CHF 1.0375-25 per USD

7.5

Bank "B" in Frankfurt quotes: CHF 1.3825-75 per EUR

What shall be the derived value of USD per EUR?

If Bank "C" in London quotes USD 1.3550-275 per EUR then calculate the triangular arbitrage, if any on assumed capital of 1 million

Q.2 Attempt any two.

A) What are the reasons for the failure of Bretton Woods system?

7.5

B) Give the best option to invest INR 6 million for a temporary period of 6 months.

7.5

INR Interest Rate: 4% p.a.

Currency:	Spot Rate	Interest Rate	6 Months Fwd rate
USD	46.6550-75	2.25% p.a.	46.1500-50
GBP	78.1250-25	3.50% p.a.	78.9400-50
CHF	39.3725-75	1.50% p.a.	39.8375-25

C) Spot SGD/SEK 5.1950-00

7.5

60 Days Forward rates 5.2450-00

SGD interest rates: 4.00%-6.00%

SEK interest rates: 3.40% - 3.60%

Establish covered interest arbitrage if any on one million.

Q.3 Attempt any two.

A) What are the factors contributing to the growth of Euro Currency Market?

7.5

B) What is ADR? How is it different from GDR? Explain various types of ADRs.

7.5

C) Discuss the factors which affect floating exchange rates.

7.5

P.T.O

Q.P. Code :06919

Q.4 Attempt any two.

A) What is FDI? State differences between FDI and FPI.

7.5

B) Discuss the origin and growth of Tax Havens.

7.5

C) What is BIS? Describe its role.

7.5

Q.5 Attempt any two.

A) Read the following case and answer the questions given below

India's balance of payments (BoP) turned negative in the second quarter of 2015 after a gap of seven quarters. As per Reserve bank of India (RBI) data, the country witnessed \$0.86 billion depletion in reserve assets, the depletion last seen in the September 2013 (quarter) was \$10.4 billion, due to flight of foreign institutional investors (FIIs) and capital outflows on the loan account.

FIIs were solely responsible for the depletion of reserves this quarter. India saw net FII outflows of \$6.5 billion between July and September 2015. FII inflows had started surging from the beginning of the calendar year 2014 but turned negative in the June 2015 quarter. Net outflow of portfolio investments intensified to \$6.5 billion from \$2.6 billion in the June 2015 quarter. Unlike in April-June 2015, the September quarter saw a bulk of the outflows from equity market.

Net foreign direct investments (FDI) in India during July-September 2015 were at \$6.6 billion, the lowest in the past six quarters. A major chunk of this investment flew in from Singapore and Mauritius and went into telecom, software, automobile, mining, construction and other services sector.

Other investment in India during the September 2015 quarter amounted to \$8.8 billion. Half of it came in the form of NRI deposits. While the other half was divided between external assistance, ECBs and banking capital.

It is worth noting that although net of other investment during July-September showed a big jump over the investment of mere \$1.1 billion in the year-ago quarter, it is substantially lower than the investment seen in this account in the preceding three quarters.

Overall, the country witnessed net capital inflows (Excluding reserves) of \$7.2 billion during July-September 2015, the lowest quarterly inflow in the past two years. These inflows were not sufficient to cover the country's current account deficit, which amounted to \$8.2 billion

1) What was the reason behind India's BOP turning negative in the second quarter of 2015?

2.5

2) In which sectors, July – September 2015 FDI in India went into?

2.5

3) What were other net investments comprised of during July – September 2015 in India?

2.5

4) What measures can be adopted by any country to improve their position of BOP?

2.5

B) Solve the following

05

Spot EUR / AUD 1.3932

3 Month AFM: Premium 1.75%

Calculate 3 Month Forward EUR / AUD rate.

B. M. S.

35

Q.P. Code :02170

[Marks:75]

[Time: 2 $\frac{1}{2}$ Hours]

Please check whether you have got the right question paper.

- N.B:
1. All questions are compulsory subject to internal choice.
 2. Figures to right indicate full marks.

15

Q.1 Answer the following. (any two)

- a. Define Risk management. Explain the process of risk management.
- b. Explain the different tools used to measure quantitative risk
- c. Calculate expected rate of return & standard deviation of ABC Ltd. For the following information

Situation	Probability	Stock A (Return %)	Stock B (Return %)
Normal	0.3	25%	22%
Recession	0.2	40%	30%
Boom	0.5	-10%	15%

15

Q.2 Answer the following. (any two)

- a. Explain the various structural models of Swap.
- b. Explain the ERM matrix with Diagram.
- c. Define Arbitrage. Explain the types of arbitrage techniques.

15

Q.3 Answer the following. (any two)

- a. Define corporate governance. Explain the benefits of corporate governance.
- b. Define Risk assurance. Explain the challenges of risk assurance.
- c. Briefly discuss Risk & Stakeholders.

15

Q.4 Answer the following (any two)

- a. Discuss the powers, functions & duties of IRDA.
- b. What is Reinsurance? What are the different types of reinsurance?
- c. Expected losses are given in the table below.

Loss value (in Rs.)	Probability
2,00,000	0.02
10,000	0.08
0	0.9

Find the fair premium if :-

- a. Policy provide full coverage
- b. Under writing costs = 10% of pure Premium
- c. Claims are paid at the end of year
- d. Interest rate = 10%
- e. Expected claim processing costs = Rs 600
- f. Fair profit = 5% of pure premium

P.T.O

Q.P. Code :02170

Q.5 Case study

Evaluate the performance of funds M,N & market port folio from the following information available form the past 6 months

Month (return %)	April	May	June	July	Aug	Sept
Fund M	3.25	1.50	(1.00)	3.75	1.25	0
Fund N	2.50	(1.25)	0	2.75	2.25	1.25
Market portfolio	1.00	(0.75)	2.00	1.75	0.25	3.25

The 6 month Treasury Bills Carry an interest rate of 6% P.a.