

NEW

2017

M B A

2nd Semester Examination

**FINANCIAL MANAGEMENT &
FUNDAMENTALS OF MARKETING AND
SELLING (UNDER CBCS)**

PAPER—MBA-204

Full Marks : 50

Time : 1.5 Hours

The figures in the right-hand margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

Illustrate the answers wherever necessary.

FINANCIAL MANAGEMENT

1. Answer any *four* questions :

4×5

- (a) Distinguish between NI and NOI approach in capital structure.
- (b) Establish the relationship between BCR and NBCR in capital Budgeting.

(Turn Over)

- (c) Discuss different types of dividend.
- (d) Write a note on 'operating cycle'.
- (e) What do you mean by 'time value of money'?
- (f) Distinguish between capital structure and financial structure.

2. Answer any *two* questions :

2×10

- (a) On the basis of the following information, you are required to ascertain the optimal capital structure :

Debt as % of total capital employed	Before tax cost of debt (%)	Cost of equity (%)
0	12	15
10	12	15
20	12	16
30	13	17
40	15	18
50	16	19
60	18	22
70	21	24

Corporate tax rate is 50%. (Show workings)

- (b) A project requires an initial investment of Rs.20,000. The life of the project is 5 years. The required rate of return and income tax rate are 10% and 50% respectively. The profits before depreciation and taxes generated from the project at the end of 1st, 2nd, 3rd, 4th and 5th years are Rs.12,000, Rs.6,000, Rs.4,000, Rs.10,000 and Rs.10,000 respectively. The method of depreciation is straight line. You are required to ascertain Net Present Value.

- (c) A company has 1,00,000 shares selling at Rs.150 per share. The company intends to pay dividend of Rs.12 per share at the end of the current year. The company's net earnings for the year are Rs.20,00,000 and it wishes to make new investment of Rs.11,00,000. The cost of capital is 15%.

Using Modigliani-Miller's Model, ascertain :

- (i) The market price per share at the end of the current year :
- if dividends are paid, and
 - if dividends are not paid.
- (ii) The number of shares to be issued if dividends are paid. (Show workings) 2+2+6

[Internal Assessment : 10]

**FUNDAMENTALS OF MARKETING AND
SELLING (UNDER CBCS)**

1. Answer any *four* questions : 4×5
- Distinguish between marketing and selling with example.
 - What is 'Sales Quota'? Explain with suitable example.
 - How does technology change the marketing process?

- (d) Assume you are a manager of ABC Company. Prepare a sales budget for a new model of gel Pen. (Make assumption wherever necessary).
- (e) With a hypothetical example explain the concept of core marketing.
- (f) Write a note on Internal Marketing.

2. Answer any *two* questions : 2×10

- (a) What do you mean by the term marketing mix? Design a marketing mix plan for upcoming mobile phone with some advance features. 3+7
- (b) "Sales management is the Process of developing a sales force, coordinating sales operations and implementing sales techniques" - Illustrate with example. 10
- (c) What are sales territories? What are the basic qualities required of a good sales manager? 5+5

[Internal Assessment : 10]

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2017

M B A

2nd Semester Examination
FUNDAMENTALS OF MARKETING AND
SELLING (UNDER CBCS)

PAPER—MBA-204

Full Marks : 50

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

The figures in the right-hand margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

Illustrate the answers wherever necessary.

1. Answer any *four* questions : 4×5
- (a) Distinguish between marketing and selling with suitable example.
- (b) What do you mean by marketing environment? List out the micro environmental factors which influences marketing?

(Turn Over)

- (c) State the role of exhibition in selling with an example.
- (d) Explain with a hypothetical example the concept of 'Sales Quota'.
- (e) How does consumer make the buying decision? Explain with an example.
- (f) Write a note on 'Sales Budget'.
2. Answer any *two* questions : 2×10
- (a) What is marketing mix ? As a marketing manager how do you design marketing mix for a new model of laptop/mobile? 3+7
- (b) What do you mean by holistic marketing? Schematically explain the concept of holistic marketing. 10
- (c) What is sales organisation? Discuss the various functions of a sales organisation. 5+5

[Internal Assessment : 10 marks]
