

[This question paper contains 8 printed pages.]

Your Roll No.....

Sr. No. of Question Paper : 3036

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Unique Paper Code : 2922101102

Name of the Paper : Accounting for Managers

Name of the Course : B.A. (Hons.) Business  
Economics

Semester : 1

Duration : 3 Hours

Maximum Marks : 90

**Instructions for Candidates**

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. This paper contains 6 questions. Attempt ANY FIVE questions.
3. All questions carry equal marks.
4. Use of simple calculator is permitted.

1. State whether each of the following statements is 'True' or 'False'. Give reasons for the same.

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- (i) The convention of conservatism takes into account all prospective profits but leaves all prospective losses.
- (ii) In accounting all business transactions have dual aspect.
- (iii) Accounting can be useful only for recording business transactions.
- (iv) IFRS is a roadblock to operations of multinational companies.
- (v) Trial balance is not a conclusive proof as to the absolute accuracy of books of accounts.
- (vi) Standard costing aids management in planning and control. (6×3)

2. From the following Trial Balance of Star Ltd. as on 31/3/2022, prepare trading and profit and loss account for the year ending 31/3/2022 and balance sheet as on 31/3/2022.

Debit Balance	Rs	Credit Balance	Rs
Drawings	6,000	Bank Overdraft	25,000
Wages	15,500	Interest on Investment	5,800
Stock as on 1/4/2021	12,800	Bills Payable	4,600
Loan to X	4,000	Interest on Loan to X	320
Rent	5,000	Capital	1,00,000
General Expenses	1,480	Reserve for bad and doubtful debts	250
Investments	60,000	Sales	2,30,000
Purchases	1,60,000	Sundry Creditors	12,500
Freight and Carriage	2,100		
Goodwill	40,000		
Bills Receivable	6,200		
Rates and Taxes	1,800		
Sales return	2,100		
Insurance	900		
Cash	3,700		
Debtors	16,500		
Postage and Telegram	3,800		
Land and Building	25,000		
Plant and Machinery	10,000		
Packing Charges	400		
Bad Debts	1,280		
	3,78,560		3,78,560

## Adjustments :

- (i) Closing stock as on 31/3/2022 Rs. 16,000.
- (ii) Goods worth Rs. 800 were sent to customer on approval basis. The cost price of the goods was Rs. 700 and no approval was received till date.
- (iii) 20% of the Goodwill is to be written off.
- (iv) Further Bad debts were estimated at Rs. 350. Increase the reserve for bad debts to the extent of Rs. 1500.

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- (v) Depreciate Land and Building by 3% and Plant and Machinery by 10%.
- (vi) Goods worth Rs. 800 were distributed as free samples. (18)
3. (a) From the following information of Phoenix Ltd. prepare Cash Flow Statement as per AS3 (Revised):

Liabilities	2022 (in Rs)	2021 (in Rs)
Equity share capital	80000	55000
10% preference share capital	20000	25000
General reserve	7600	4000
Profit & loss account	2400	2000
15% debentures	14000	12000
Creditors	22000	24000
Proposed dividend	8000	10000
Provision for taxation	8400	6000
	162400	138000
<b>Assets</b>		
Fixed assets	80000	82000
Less: accumulated depreciation	30000	22000
	50000	60000
Stock	70000	60000
Debtors	34,400	15000
Cash	7000	2400
Prepaid Expenses	1000	600
	162400	138000

Additional information:

- (i) Provision for tax made Rs. 9400.
- (ii) Fixed assets costing Rs. 20000 (accumulated depreciation till date of sale on them Rs. 6000) were sold for Rs. 10000.
- (iii) Interim dividend paid during the year Rs. 9000. Proposed dividend of last year was declared and paid during the year. Ignore corporate dividend tax.
- (iv) New debentures were issued on 31<sup>st</sup> march, 2022.
- (b) A company had a liquid ratio of 1.5 and current ratio of 2 and inventory turnover ratio 6 times. It had total current assets of Rs. 800,000 in the year 2020. Find out the annual sale if goods are sold at 25% profit on cost. (12+6)
4. (a) XYZ Ltd. is producing three products X, Y and Z. The data for the three products is given below:

Particulars	X	Y	Z
Maximum Capacity	5,000 Units	2,000 Units	3,000 Units
Direct Material @Rs.10 per Kg	Rs.40	Rs.10	Rs.30
Other Variable Costs	Rs.36	Rs.25	Rs.10
Selling Price	Rs.100	Rs.50	Rs.60
Fixed Cost	Rs.20,000	Rs.15,000	Rs.10,000

Calculate the best product-mix in both of the following independent cases :

- (i) Total availability of raw material is limited to 18,000 Kg.
  - (ii) Under a trade agreement the firm cannot produce more than 7,500 units of the three products taken together.
- (b) A company produces a single product and sells it at Rs. 200 each. The variable cost of the product is Rs. 120 per unit and the fixed cost for the year is Rs. 96,000. Calculate :
- (i) P/V Ratio
  - (ii) Sales at break-even point.
  - (iii) Sales units required to earn a target net profit of Rs. 1,20,000. (12+6)

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5. (a) For production of 10,000 Electrical Automatic Irons, the following are budgeted expenses :

Direct Materials

Direct Labour

Variable Overheads

Fixed Overheads

Variable Expenses (Direct)

Selling Expenses (10% Fixed)

Administration Expenses (Rs. 50,000 rigid for all levels of production)

Distribution Expenses (20% Fixed)

Total Cost of Sales per unit

Prepare a budget for the production of 6,000, 7,000 and 8,000 Irons.

- (b) Explain the difference between estimated cost and standard cost. (12+6)

6. Explain any three from the following :

(a) Zero based budgeting

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- (b) Shutdown Costs
- (c) Accrual Concept
- (d) Users of accounting information





1. Attempt **any three** parts:

(a) Solve the inequalities: (4 × 3)

(i)  $|x^2 - 2| \leq 1$

(ii)  $\frac{10}{x-4} < 3$

(b) One thousand people took part in a survey to reveal which newspaper, *A*, *B*, or *C*, they had read on a certain day. The responses showed that 420 had read *A*, 316 had read *B*, and 160 had read *C*. These figures include 116 who had read both *A* and *B*, 100 who had read *A* and *C*, and 30 who had read *B* and *C*. Finally, all these figures include 16 who had read all three papers.

(i) How many had read *A*, but not *B*?

(ii) How many had read *C*, but neither *A* nor *B*?

(iii) How many had read neither *A*, *B*, nor *C*?

(c) Solve for *x*:

(i)  $|x + 2| = \sqrt{4 - x}$

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(ii)  $\sqrt{x-4} = \sqrt{x+5} - 9$

(d) Fill the blanks below with "if", "only if" or "if and only if":

(i)  $A \cap B = A$  \_\_\_\_\_  $A \subset B$

(ii)  $x > y^2$  \_\_\_\_\_  $x > 0$

(iii)  $2x + 5 > 10$  \_\_\_\_\_  $x > 4$

(iv)  $f'(a) = 0$  \_\_\_\_\_  $x = a$  is an interior extreme point on  $f$

2. Attempt any four parts:

(7×4)

(a) For the function  $f(x) = 2x^2 - x^4$  defined on  $[0,1]$

(i) Find the range of  $f(x)$

(ii) Show that  $f$  has an inverse function  $g$ . Also find this inverse function.

(b) Suppose a function is defined as:

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$$f(x) = \begin{cases} A+x & \text{for } x < 2 \\ 1+x^2 & \text{for } x \geq 2 \end{cases}$$

- (i) Find the value of  $A$  such that  $f(x)$  is continuous at  $x = 2$ .
- (ii) For the value of  $A$  found in (i) above, is  $f(x)$  differentiable at  $x = 2$ ?
- (c) A consultant is made an offer of three different fee payment alternatives by a company to which he has rendered his services. The alternatives are:
- Receive Rs 65000/- in cash immediately.
  - Receive a cash of Rs 20,000/- at once and Rs 8000/- annually for 15 years, the first instalment is due at the end of 1 year.
  - Receive 20,000/- immediately and a sum of Rs 5000/- each year till perpetuity. Which of the three alternatives will be the best for the consultant if the rate of interest is 5% per annum.
- (d) Per capita income  $f(t) = \frac{Y(t)}{P(t)}$ , where  $Y(t) = 4000e^{\sqrt{t}}$  and  $P(t) = 200e^{0.02t}$  are

national income and population respectively. Express the proportional rate of growth of per capita income in terms of the rates of growth of  $Y$  and  $P$ . What is the rate of growth of  $f(t)$  when  $t = 4$ ?

The price of a commodity rises according to the function  $f(t) = 20e^{\sqrt{t}}$ , where  $t = 0$  at present and the unit of  $t$  is one year. If the market rate of interest is 10% and interest is compounded continuously, find

- the present value after 2 years
- the time  $t = t_0$  that maximizes present value.

Attempt any one part: (15 × 1)

(a) Given the function  $f(x) = \frac{2x^2 - 4x + 10}{x-4}$ , where  $x \in \mathbb{R}$ , find:

- all the asymptotes of the function
- stationary point(s), local and global extreme points

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- (iii) the interval(s) where the function is convex
  - (iv) point(s) of inflexion
  - (v) sketch the curve
- (b) If the inverse demand function and cost function for a monopolist are given by:

$$p = 50 - x \text{ and } C = 20 + 2x + 3x^2$$

where  $p$  is the price,  $x$  is the quantity demanded and  $C$  is the cost for producing  $x$  units of the product.

- (i) Is the profit function convex?
  - (ii) Find the price and quantity that maximises profit for the monopolist.
  - (iii) If an excise tax of Rs 5/- per unit of quantity is imposed. Find the price and quantity that maximize the profit for the monopolist.
  - (iv) Determine the equilibrium price and quantity for the monopolist if instead a sales tax at the rate of 20% of sales is imposed.
4. Attempt any three parts: (9 × 3)

- (a) (i) Find the inverse of the  $n \times n$  matrix  $A$  if  $A - A^2 = I$

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- (ii) If  $A^2B = BA$ , prove that  $A^4 B^2 = B^2 A$
- (b) (i) If  $A = (\alpha, \beta, \gamma)$  is a linearly independent set of vectors, examine the independence of the set of vectors  $\{\alpha - \beta, \beta + 2\gamma, \gamma\}$ .
- (ii) Find the eigenvalues and eigenvectors of the following:

$$A = \begin{pmatrix} 1 & 4 \\ 6 & -1 \end{pmatrix}$$

- (c) A linear system  $Ax = b$  is given by  $A = \begin{pmatrix} 0 & p & 1 \\ p & 0 & q \\ p & p & 2 \end{pmatrix}$

$$\text{and } b = \begin{pmatrix} q \\ 1 \\ 2 \end{pmatrix}.$$

Determine the values of  $p$  and  $q$  for which the system possesses:

- (i) Unique solution
- (ii) Infinite solution
- (iii) No solution

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(d) At present the proportion of the total market for ice cream is shared between two brands A and B holding 20 and 80 percent share respectively. Every year, 30% of the consumers of Brand B shift to brand A while 10% of the consumers of Brand A shift to Brand B. What will be the market shares of the two brands:

(i) next year

(ii) after 2 years

(iii) after an infinite number of years

5. Attempt any two parts:

(4 × 2)

(a) Find the area enclosed between  $y = x$  and  $y = x^2$  in the positive quadrant.

(b) Find the consumption function  $C(Y)$  when the marginal propensity to consume,  $MPC = \frac{dC}{dY} =$

$$0.4 + \frac{0.1}{\sqrt{Y}} \text{ and } C(Y = 100) = 50.$$

(c) Evaluate  $\frac{d}{dx} \int_2^{\ln(x)} (t^{2/3} + 9) dt$

(500)

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[This question paper contains 2 printed pages.]

Your Roll No.....

Sr. No. of Question Paper : 3006 **D**

Unique Paper Code : 2922101101

Name of the Paper : Microeconomics I

Name of the Course : **B.A. (H) Business  
Economics**

Semester : 1

Duration : 3 Hours

Maximum Marks : 90

**Instructions for Candidates**

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Attempt any **seven** questions in all.
3. Question No. 1 is compulsory.

1. Write short notes on **(any three)** : (6×3)

(a) WARP

(b) Marginal Rate of Substitution

(c) Numeraire

(d) Moral hazard

2. What is meant by economic problem? Explain the problem of scarcity and choice. "A single production possibility frontier illustrates three concepts:

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- Scarcity, choice and opportunity cost". Elucidate with diagram. (12)
3. Show with the help of diagrams the relationship between price effect, income effect and substitution effect according to Hicks, when goods X and Y are as follows : (6×2)
- (i) Normal goods
  - (ii) Y is normal good and X is Giffen good
4. What is income elasticity of demand and explain the derivation of Engel curve using diagram. (12)
5. Expected utility function has some very convenient properties for analyzing choice under uncertainty. Explain. (12)
6. Discuss the significance of budget line and explain using indifference curve analysis the concept of consumer surplus. (12)
7. "Isoquants can be convex, linear or L-shaped". What does it tell you about the nature of production function? Explain using isoquants the three stages of the law of returns to scale. (12)
8. "Long run average cost curve (LAC) is derived from short-run average cost curves and envelopes them." Explain using diagrams. (12)
- (1000)**



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Your Roll No.....

Sr. No. of Question Paper : 6431

Unique Paper Code : 12481303

Name of the Paper : Corporate Finance

Name of the Course : B.A. (Hons.) Business  
Economics, 2022 (LOCF)

Semester : III

Duration : 3 Hours

Maximum Marks : 75

**Instructions for Candidates**

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Question No. 1 is compulsory. Attempt ANY FOUR questions from the rest.
3. Use of Simple Calculator and Time Value Tables is allowed.

1. (i) Mr. A's father promised to give him Rs. 21,00,000 on his 21<sup>st</sup> Birthday, Today is his 12<sup>th</sup> birthday. Calculate and evaluate the

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following alternative options available to his father for arranging the sum on his 21<sup>st</sup> birthday:

(a) He can make an annual payment in a bank scheme, starting one year from now. How much should he deposit annually, if the bank scheme gives him 10 % return per annum.

(b) He can invest a lump-sum in Mr. A's bank account after one year and allow it to compound at the bank rate of 6% per annum. How much should he invest?

(ii) Profitability index technique of capital budgeting ignores salvage value of the project. Do you agree? Explain the steps involved in its calculation. (10,5)

2. A Company is considering the replacement of an existing machine. The following details are available:

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	Old machine	New Machine
Purchase Price	NA	Rs. 4,00,000
Installation cost	NA	Rs. 80,000
Immediate increase in Working Capital	NA	Rs. 1,00,000
Planning period	4 years	4 years
Present Scrap Value	Rs. 2,00,000	NA
Scrap value after 4 years	NIL	Rs. 1,40,000
Current book value	Rs. 1,60,000	NA
Annual Revenues	Rs. 7,70,000	Rs. 8,60,000
Cash expenses	Rs. 4,50,000	Rs. 3,80,000

Depreciation on old asset is charged at Rs. 40,000 p.a. and the new asset is to be depreciated by written down method at 20%. Applicable corporate tax rate is 40% and capital gain tax, if any, is to be ignored.

Advise the company about the feasibility of the proposal using Net present Value Method if the required rate of return is 12%. (15)

3. (i) Firms X and Y are in the same risk class, and are identical in every respect except that the Firm X uses debt while Firm Y does not. The levered firm has Rs. 9,00,000 debentures,

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carrying 10% rate of interest. Both the firms earn 20% operating profit on their total assets of Rs. 15 lakhs. Assuming perfect capital markets, rational investors with a tax rate of 35% and capitalization rate of 15% for an all-equity firms.

Compute :

- (a) Value of firms X and y using Net Income (NI) approach.
  - (b) Value of each firm using Net operating Income (NOI) approach.
  - (c) Overall cost of capital ( $k_0$ ) for firms X and Y.
  - (d) Which of these two firms has an optimum capital structure using NOI approach and why?
- (ii) "Market Value weights are superior to book value weights." Comment. (10,5)
4. (i) Manohar Ltd. Has following book value capital structure.

Sources of funds	In Rs. crores
Equity share capital (Rs. 10 each)	15
12% preference Capital (Rs. 100 each)	1
Retained Earnings	20
11.5% Debentures (Rs. 100 each)	10
11% Term Loan	12.5

The next expected dividend on equity shares is Rs. 3.60 per share, the dividend per share is expected to grow at 7%. The market price per share is Rs. 40. Preference stock, redeemable after 10 years, is currently selling at Rs. 75 per share. Debentures, redeemable after 6 years, are selling at Rs. 80 per debenture. The tax rate for the company is 40%. Calculate the weighted average cost of capital by using

- (a) Book value weights
  - (b) Market value weights.
- (ii) What is meant by the term "leverage"? Discuss its types and the risks associated with each of them. (10.5)

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5. (i) The following information is extracted from last year's Annual Accounts of ABC Ltd.

Details	Amount per unit (Rs.)
Raw material cost	100
Direct labour cost	37.5
Overheads cost	75
Total cost	212.5
Profit	37,050
Selling Price	250

You are required to prepare an estimate of working capital needed to finance an activity level of 1,30,000 units of production as per the following further details:

Raw material is in stock on average for four weeks.

Work-in progress in stock on an average for one week.

Finished goods in stock on an average for two weeks.

The credit allowed by suppliers is three weeks.

The Company allows four weeks credit to its debtors.

The lag in payment of wages is one week.

The lag in payment of overhead expenses is two weeks.

The company sells one-fifth of its output against cash and maintains cash in hand and at bank balance put together at Rs. 37,500.

Assume that production is carried on evenly throughout the year and overheads and wages accrue similarly. Work-in-progress stock is 80% completed in all respects.

- (ii) Critically examine the Gordon's model. Why is it referred to as bird-in-the-hand theory? (10,5)
6. (i) RQ Ltd is planning an expansion program which will require Rs. 30 crore and can be funded through one of the following three options.
- Issue further equity shares of Rs. 100 each at par
  - Raise a 15% loan
  - Issue 12% preference shares

The present paid up capital is Rs. 60 crores and the annual EBIT is Rs. 12 crores. The tax rate may be taken 50%. After the expansion plan is adopted, the EBIT is expected to be Rs. 15 crores. Calculate the EPS under all the three financing options indicating the alternative giving the highest return of the equity shareholders. Also, determine the indifference point between the equity share capital and the debt financing.

- (ii) "Liquidity and profitability are two important competing goals for finance managers"  
Comment. (10.5)

7. Attempt any **Three** out of the following :

- (i) Functions of a finance manager
- (ii) Accounting rate of return
- (iii) Stability of dividends
- (iv) Factors affecting working capital (5,5,5)

[This question paper contains 4 printed pages.]

**Your Roll No.....**

**Sr. No. of Question Paper : 6429**

Unique Paper Code : 12481301

Name of the Paper : Macroeconomics &  
Applications - I

Name of the Course : **B.Sc. (Hons) Business  
Economics, 2022 (LOCF)**

Semester : III

Duration : 3 Hours

Maximum Marks : 75

**Instructions for Candidates**

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Illustrate your answer with suitable diagrams, wherever required.
3. **All parts** of each question must be done together.
4. Attempt **Five** questions in all.
5. **Question No. 1** is compulsory.

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1. Consider the following statements whether true or false. Justify your answer with appropriate reason. Attempt any FIVE.
- Wholesale Price Index and Consumer Price Index may not reflect all changes in price level.
  - The IS curve indicates a negative relationship between the interest rate and the income level that arises from goods market equilibrium.
  - Larger the multiplier, flatter is the IS Curve.
  - An increase in expected price level leads to a decrease in the actual price level.
  - Given expected inflation, an increase in mark-up price leads to an increase in inflation. vi. Inflation acts just like a tax. (5×3=15)
2. Define the IS Curve. Derive IS curve diagrammatically. What is the impact of expansionary fiscal policy on the economy's output and interest rate? (15)
3. (a) A monetary expansion has no effect on output in the medium run under the AD- AS model. Justify your answer. (10)

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- (b) Show how are natural rate of unemployment, natural level of employment and natural level of output related to each other. (5)
4. Given the following equations
- |                        |                 |
|------------------------|-----------------|
| Consumption            | $C=200+0.8Y_d$  |
| Investment             | $I = 300-6i$    |
| Government Expenditure | $G = 200$       |
| Tax                    | $t = 0.25Y$     |
| Real Demand for Money  | $M^d = 0.2y-2i$ |
| Nominal Money Supply   | $M^s = 600$     |
| Price Level            | $P=2$           |
- Compute the equilibrium level of income,  $Y$  and the rate of interest  $i$ .
  - Suppose the government purchases are raised from 200 to 250 and the nominal money supply is raised from 600 to 650. What is the magnitude of the shift in IS and LM Curve? What are the new equilibrium levels of income and the rate of interest? (8+7)

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5. (a) Do you agree that an increase in price of oil leads to a lower real wage and a higher natural rate of unemployment? Justify your answer. (8)
- (b) What causes a shift in aggregate supply curve under the AD-AS model? (7)
6. (a) Discuss that the new Keynesian economics provides a better explanation of stickiness of wages and prices in the short run.
- (b) Quantity theory of money examines the links between inflation and economic growth. Discuss. (15)
7. Write short notes on any TWO of the following:
- (i) Components of Aggregate Demand
- (ii) Real Business Cycle
- (iii) NAIRU (7.5+7.5)

[This question paper contains 4 printed pages.]

Your Roll No.....

Sr. No. of Question Paper : 6428  
Unique Paper Code : 12483302  
Name of the Paper : Personality Development &  
Interpersonal Skills  
Name of the Course : **B.A. (H) Business  
Economics**  
Semester : III  
Duration : 3 Hours  
Maximum Marks : 75

**Instructions for Candidates**

1. Write your Roll No. on the top immediately on receipt of this question paper.
  2. Attempt all questions.
  3. All questions carry equal marks.
  4. The sub parts of a question must be done together.
- 
1. You have to appear for an on-campus interview in your college. Explain the importance of your self-confidence, self-esteem and apply the concept of Johari window in this situation.

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You have been given the responsibility to organise a Departmental fest in your college. Explain the relevance and importance of prioritizing work, managing time and the use of TODO list and weekly planner.

2. Write short notes on any three of the following

(5+5+5)

(a) 4CF Method

(b) Goal Tree

(c) Life Time Goals

(d) Reactive and Proactive work

3. Attempt any one of the following

(a) The transition from pandemic to normal life has given a new stress to people in terms of changing their work schedules, body clock, travelling distances for work, work-life balance and so on. Explain the concept of stress, its causes and the

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importance of stress management in today's scenario.

(b) Tina is academically bright but she is not selected in the interview during placement drive in her college. Her friend, Sam suggested that she give equal importance to emotional intelligence and make effort to build it. Explain the relevance of emotional intelligence to her and distinguish emotional intelligence from intelligence quotient.

4. Active listening skills can help build relationships, solve problems, ensure understanding and avoid conflict. By becoming a better listener, you will improve your workplace productivity, as well as your ability to lead a team, persuade and negotiate. In this context answer the following

(a) Importance of listening

(b) Benefits of active listening

(c) Barriers to effective listening

5. Explain any two of the following tools in context of creativity

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- (a) Pareto Principle
- (b) Torrance test of creative thinking
- (c) Restatement of problem

(300)

[This question paper contains 5 printed pages.]

Your Roll No.....

Sr. No. of Question Paper : 6426

Unique Paper Code : 12487917

Name of the Paper : Consumer Behaviour and Advertising

Name of the Course : B.A.(Hons) Business Economics 2022 (LOCF)

Semester : V

Duration : 3 Hours

Maximum Marks : 75

**Instructions for Candidates**

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Attempt both Sections A and B.
3. Follow the instructions indicated against each section.

**Section A**

**Attempt any THREE questions in all.  
All questions carry equal marks.**

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1. Hindustan Unilever Limited renamed its popular skin care brand- Fair & Lovely to Glow & Lovely in July 2020, after the fairness products came under social pressure amid a global debate about racial inequality. In this context explain your understanding on consumer learning and Attitude change strategies of consumers? (15)
2. 'Luminous Hair Oil- The Non- Greasy Formula', is an upcoming brand of hair oil that promises lustrous and healthy hair using aloe Vera and jojoba which makes it the first brand of oil that is non-sticky. The company Nova Ltd. has launched this product considering the problem teenagers and adults face as they are embarrassed to go out with oil in their hair due to its stickiness. Luminous Hair Oil will be the game changer in the hair care range as people would stop being hesitant and doubtful about using hair oil, enjoying all the benefits along with an upper edge of being non greasy and easy to use. The oil will be available in a regular use 200ml bottle as well as a small 50ml travel pack. Design a creative brief for strategically launching the brand and its product in the Delhi market. You may make necessary assumptions and clearly specify them. (15)
3. Adoption of online grocery has increased with engagement level and order volumes accelerating, in

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- metropolitan cities of India. In reference to the online play of the Indian grocery delivery space, ZEPTO, a 10-minute grocery delivery service, beating many heavily backed rivals on speed, discuss your understanding on diffusion process and adoption of innovations process? (15)
4. 'Replenish-Energy No BAR', is the ultimate energy drink that today's market wished for. The brand is made for all the age groups as it uses nontoxic ingredients to give you the needed energy boost along with Vitamin D, anti-oxidants, Green Tea extract, green coffee extract and 20% natural coconut water to give the required sweetness. These would be available in 5 different flavors and in two different packaging and with absolutely no added sugar added and hence it's a great product for vegan and gluten free market. Plan a detailed media plan for its launch in metropolitan cities. You may make appropriate assumptions. (15)

#### Section B

The following questions are compulsory.

6. Write short notes on any TWO of the following:  
(a) Perceptual Distortion

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(b) Foote Cone Belding Model

(c) Freudian Vs Neo Freudian Theory

(5×2=10)

7. Look at the following ads carefully and answer the questions:

(a) For each of the given ads, discuss atleast two concepts of Consumer Behaviour that have been applied. (5×2=10)

(b) Critically analyze the message appeal, format, tone, body copy and layout for both the advertisements.

(5×2=10)



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5

Money  
can  
buy  
happiness

zomato

(400)

2

[This question paper contains 4 printed pages.]

Your Roll No.....

**Sr. No. of Question Paper : 6421**

Unique Paper Code : 12481502

Name of the Paper : Organization Behaviour

Name of the Course : **B.A. (Hons.) Business  
Economics, 2022 (LOCF)**

Semester : V

Duration : 3 Hours

Maximum Marks : 75

**Instructions for Candidates**

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. **Question no. 1** is compulsory.
3. Attempt **any four** from the remaining questions.

**1. Case Study**

Jaya has recently joined HCP Technologies as the Senior Group Manager. She was leading a team of 70 young enthusiasts. Each member of the team was full

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of talent and energy, however, Reema was truly an exception in this cohort. Unlike the others in Jaya's team, she was uncooperative and demotivated. Despite the fact that Reema could do much better, her work was chaotic and disorganized. Since, Jaya was new in the company and it was entirely a new project with unknown subordinates, she had no clue about their individual issues. After speaking to some of her senior and experienced colleagues, she came to know the fact that Reema used to be the star performer in the team, working hard, collaborating efficiently and generating ever great ideas since more than a decade. But now, she has become a completely different person reluctant to contribute and collaborate. Jaya could not fire her as she was a great technical support for the entire team and was kind of irreplaceable. Also, the company had momentarily kept hiring on freeze. Reema's indifferent and casual attitude had badly impacted not just her own performance but was also having a negative impact on the rest of the team. Jaya was facing a tough time thinking what she could do to pull her out of this slump. She wanted Reema to be the same star performer as she used to be before.

Based on your understanding of the case, you may make necessary assumptions and answer the questions given below:

- (a) In your opinion, which motivational theory should be applied by Jaya to motivate Reema ? and why? (8)
  - (b) Which according to you is a better motivator in this case, employee empowerment, job redesigning or reward system for high performance. Justify your response. (7)
2. (a) What do you understand by the term organization behavior? Also, explain its relationship with other related fields. (10)
  - (b) Explain the concept of social loafing? (5)
3. The Myers-Briggs Type Indicator (MBTI) is a personality assessment tool that assists in employing 'right person at the right job' during selection process. Explain in detail how the four categories or the sixteen personality divisions provide an insight about the personality of a person or tendencies of his/her behavior. (15)
  4. The implementation of Organizational changes must be carried out cautiously in the organisations as it is a very sensitive topic. Explain the three stages of the implementation process for any planned organizational change according Kurt Lewin. (15)

5. Throughout the entire decision-making process, perceptual distortions often surface that can bias analysis and conclusions. Explain common biases & errors in decision-making. (15)
6. (a) Differentiate between Transformational and Transactional leadership. (10)
- (b) Organisational cultures impact employee performance & satisfaction. Comment. (5)
7. Write short notes on any three
- (a) Self-Efficacy theory of Motivation
- (b) Self-Leadership
- (c) Group Think and Group Shift
- (d) Types of Reinforcement with example
- (5 × 3 = 15)

[This question paper contains 12 printed pages.]

Your Roll No.....

Sr. No. of Question Paper : 6420

Unique Paper Code : 12481501

Name of the Paper : Quantitative Techniques for  
Management

Name of the Course : B.A. (Hons) Business  
Economics, 2022 (LOCF)

Semester : V

Duration : 3 Hours

Maximum Marks : 75

**Instructions for Candidates**

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Both Sections A and B are compulsory.
3. Follow the instructions given in each section carefully.

**Part A**

**All questions are compulsory**

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1. (a) A Student was given to solve a simplex problem. Even after attempting four iterations, he was unable to find an optimal solution. Using the rule of thumb, help the student to understand and identify the following situations he might have encountered (do not solve the LP Problem)

(i) Degeneracy

(ii) Unbounded Solutions

(iii) Infinite Solutions

(6)

(b) Solve using the simplex method

$$\text{Maximize } Z = 2x_1 + 4x_2$$

s.t constraints

$$2x_1 + x_2 \leq 18;$$

$$3x_1 + 2x_2 \geq 30;$$

$$x_1 + 2x_2 = 26$$

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3

$$x_1, x_2 \leq 0$$

(9)

2. (a) Four operators ( $O_1, O_2, O_3, O_4$ ) are to be assigned four jobs ( $J_1, J_2, J_3, J_4$ ). Show all the possible combinations of assignment of Jobs if the cost matrix for jobs is as under:

JOB → OP ↓	J <sub>1</sub>	J <sub>2</sub>	J <sub>3</sub>	J <sub>4</sub>
O <sub>1</sub>	2	3	4	5
O <sub>2</sub>	4	5	6	7
O <sub>3</sub>	7	8	9	8
O <sub>4</sub>	3	5	8	4

(8)

- (b) A Multinational giant has five alternative investment options. Determine which investment options(s) should be taken up by this MNC if it wants to maximize its NPV. (Use Integer Programming). Also formulate these investment options into an optimality problem.

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Project	NPV	Cash Outflow (Investment)
I	Rs. 4lakhs	Rs 2.45 lakhs
II	Rs 0.5 Lakhs	Rs 0.70 Lakhs
III	Rs 2 Lakh	Rs. 1.25 Lakhs
IV	Rs. 3 Lakh	Rs. 2.20 Lakhs
V	Rs. 5 Lakh	Rs. 2.90 Lakhs

In the above connection the following information available:

(i) The Company has a Capital of Rs 6.8 Lakhs to be put into these five projects.

(ii) Projects I & IV must go together.

(iii) If the Co. invests in Project III, then Project II is ruled out.

(7)

3. The following table gives the activities in a project and other relevant information:

Activity	Preceding Activity	Time estimates (in weeks)		
		Optimistic	Most likely	Pessimistic
A	-	4	6	8
B	A	5	7	15
C	A	4	8	12
D	B	15	20	25
E	B	10	18	26
F	C	8	9	16
G	E	4	8	12
H	D,F	1	2	3
I	G,H	6	7	8

- (a) Construct an arrow diagram for this problem, determine the critical path, and state the expected project completion time. (5)
- (b) Determine the probability that the project will be completed in 55 days. (5)
- (c) If the company wants to be 90% sure that the system will be installed in 50 days, failing which it would pay a penalty of Rs. 500 per day. What is the probability that the penalty, not exceeding Rs. 2000 will be paid? (5)

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OR

- (a) The time estimates of a project are listed in the table below:

Activity	Nodes	Duration (in weeks)
A	1-2	7
B	1-3	7
C	1-4	8
D	2-5	1
E	3-5	14
F	4-6	8
G	5-6	15

- (i) Draw the arrow diagram of the above network. (3)
- (ii) Calculate the free float, total float for various non-critical activities. Also, mention the critical path using total float. (5+2)
- (b) Explain the meaning of the term critical path in the context of network analysis. What is its significance with reference to various techniques of Network Analysis? (8)

4. A wholesaler of sports goods has an opportunity to buy 5000 pairs of socks that have been declared surplus by the government. The wholesaler will pay Rs. 50 per pair and can obtain Rs. 100 a pair by selling socks to retailers. The price is well established but the wholesaler is in the doubt as to just how many pairs he will be able to sell. Any sock left he can sell at discount to outlets at Rs. 20 per pair. After careful consideration of the historical data, the wholesaler assigns probabilities to the demand as follows:

Retailer's demand	Probability
1000 pairs	0.6
3000 pairs	0.3
5000 pairs	0.1

- (i) Calculate conditional monetary and expected monetary values
- (ii) Compute the expected profit with perfect predicting device



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(iii) Compute EVPI. (10)

OR

(a) An investor is given the following investment alternatives and percentage rates of return:

Investment Alternatives	State of Nature		
	Low	Medium	High
Regular Share	7%	10%	15%
Risky Share	-10%	12%	25%
Property	-12%	18%	30%

Over the past 300 days, 150 days have been medium market conditions and 60 days have had high market conditions. On the basis of the given data, state the optimum investment strategy for the investment. (7)

(b) Explain the difference between expected opportunity loss and expected value of perfect information. (3)

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Part B

Attempt any two questions from question no. 5, 6 and 7 with all subparts, if any.

5. (a) In an office, a printer machine is manned by a single person who is entrusted with other jobs too. The average service time for a job is six minutes per customer. A customer's average arrival rate demanding document printout is 12 minutes. Find

(i) the utilization parameter of the printer,

(ii) the probability that two customers arrive during a 15-minute interval

(iii) the probability that the customer does not have to wait to get the job done

(iv) the average time spent by the customer in the queue

(v) the average length of a non-empty queue. (5)

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- (b) (i) Graphically show queuing and service rates, is there a relation between the two?
- (ii) What is the interpretation of the number of arrivals being predicted through Poisson distribution and service time through negative exponential distribution in queuing theory?
- (5)
6. You are given the following information about a Company: Demand=1800 units/annum, Ordering Cost ( $C_o$ )= Rs 200/order, Holding or Carrying Cost ( $C_h$ ) = 2.00/unit. The supplier of the Company puts up the following conditions for their order:

Lot Size Ordered	Price per Unit (Rs)
Less than 600	12
600-799	10
800-999	9.2
1000 - 1499	9.0
1500 and above	8.8

You are required to complete the table given below

A	B	C	D	E	F
Price Break (units)	Price /Unit	Annual Ordering Cost	Annual Carrying Cost	Annual Purchase Cost	Total Annual Cost (C+D+E)
EOQ					
600					
1000					
1500					

Should the Company place its order at EOQ to optimize cost. (10)

7. (a) A refrigerator mechanic finds that the time to repair the units follows an exponential distribution with an average time of 30 minutes. If he attends to his repair job in the order of arrival of the refrigerators that follows a Poisson distribution with an average rate of 10 per day (given an eight-hour workday). What is his expected idle time each day? How many jobs are ahead of the set just brought in? (5)

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(b) Explain the significance of safety stock or ABC analysis in inventory management. (5)

(500)

[This question paper contains 7 printed pages.]

Your Roll No.....

Sr. No. of Question Paper : 6422

Unique Paper Code : 12487909

Name of the Paper : Security Analysis and  
Portfolio Management

Name of the Course : B.A. (Hons.) Business  
Economics) 2022 (LOCF)

Semester : V

Duration : 3 Hours

Maximum Marks : 75

**Instructions for Candidates**

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Attempt any 5 questions out of 7 questions.
3. Use of Simple Calculator and Time Value Tables is allowed

1. (a) Investment is all about making your money work for you.' Explain. Also, explain the various avenues of investing.

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(b) There are various attributes that one should consider while evaluating the soundness of an investment.' Elaborate.

(c) Explain Candlestick Chart used in technical analysis. (5+5+5=15)

2. (a) Consider the following two bonds:

	Bond A	Bond B
Face Value	\$1000	\$1000
Maturity	10 years	10 years
Coupon	4%	8%

Assuming annual interest payments and an 8 percent yield to maturity on the bonds, Calculate Macaulay duration for the above two bonds. Also from your solution, state and explain the relationship between duration and coupon rate. (8)

(b) Discuss the primary propositions of the expectations theory and liquidity preference theory. (7)

3. (a) A mutual fund made an issue of 10,00,000 units of Rs 10 each on Jan 1, 2021. No entry load was charged. It made the following investments:

50,000 Equity shares

of Rs 100 each @Rs160 RS 80,00,000

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7% Govt. Securities	Rs 8,00,000
9% Debentures (unlisted)	Rs 5,00,000
10% Debentures (listed)	<u>Rs 5,00,000</u>
	<u>98,00,000</u>

During the year, dividends of Rs 12,00,000 were received on equity shares. Interest on all types of debt securities was received as and when due. At the end of the year, the equity shares and 10% debentures are quoted at 175% and 90% respectively. Find out the NAV per unit given that operating expense paid during the year amounted to Rs 5,00,000. Also find out the NAV if the mutual fund had distributed a dividend of Rs 0.80 during the year to the unitholder. (8)

(b) What is ETF? How is it different from conventional mutual funds? (7)

4. (a) A company earned Rs 6 per share and paid Rs 3.48 per share as dividend in the previous year. What would be the price of the share today if

(i) growth in dividends is zero and

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(ii) growth in dividends are expected to grow at a rate of 8 % indefinitely.

The capitalization rate is 18%. (8)

(b) What is the difference between fundamental analysis and technical analysis? Which is superior out of the two? (7)

5. (a) Calculate the portfolio return and risk if an investor invests

(i) 50% in A and 50% in B

(ii) 20% in A and 80% in B

(iii) 80% in A and 20% in B

Security	A	B
Expected Return	15%	9%
Standard Deviation	5.3%	2%

Coefficient of correlation between A and B is -0.94. (8)

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5

(b) A company is expected to pay a dividend of Rs 2 with an expected growth rate of 6% p.a. The risk-free rate is 4% and the return on a market index is expected as 14%. Presently the company has a beta of 1.2 but it is expected to increase to 1.5 due to some changes in Govt. policies. Find out the present as well as the new value of shares as per CAPM model. Is the change in managerial policies beneficial for an existing investor. (7)

6. (a) Following are the estimates of the present values of the future cash flows after taxes associated with the investment proposal, concerned with the expansion. The investor intends to use a decision tree approach to get a clear picture of the possible outcomes of this investment. The investment for expansion is expected to cost Rs 3,00,000. The respective PVs of future Cash Flows after tax (CFAT) and probabilities are as follows:

With Expansion (Rs)	Without Expansion (Rs)	Probabilities
3,00,000	2,00,000	0.2
5,00,000	2,00,000	0.4
9,00,000	3,50,000	0.4

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6

Advise the Investor regarding the financial feasibility of the project.

OR

The following data is available. In terms of Security Market Line, find out the expected return of the securities. Also, state which of the securities are underpriced.

Security	Estimated Return (%)	Beta	Standard Deviation
A	30	2	50
B	25	1.5	40
C	20	1.0	30
D	11.5	0.8	25
E	10	0.5	20
Market Index	15	1	18
Govt. Security	7	0	0

(8)

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7

(b) The market price of a Rs. 1,000 bond (par value) carrying a coupon rate of 14 percent and maturing after five years is Rs. 1050. What is the yield to maturity (YTM) on this bond? What is the approximate YTM? (7)

7. Write short note on any 3 of the following: (7)

(i) Harry Markowitz Model

(ii) Semi strong form of market efficiency

(iii) Bond price-yield relationship

(iv) Systematic risk (5+5+5 = 15)

(400)