

MANAGEMENT (Paper II)

Time Allowed : Three Hours

Maximum Marks : 300

QUESTION PAPER SPECIFIC INSTRUCTIONS

(Please read each of the following instructions carefully before attempting questions)

There are EIGHT questions divided in two Sections.

Candidate has to attempt FIVE questions in all.

Question Nos. 1 and 5 are compulsory and out of the remaining, any THREE are to be attempted choosing at least ONE question from each Section.

The number of marks carried by a question/part is indicated against it.

Wherever any assumptions are made for answering a question, they must be clearly indicated.

Word limit in questions, wherever specified, should be adhered to.

SECTION 'A'

1. Explain each of the following terms in not more than 10 lines each: **10×6=60**
- (a) Sampling Distribution
 - (b) BCG Matrix
 - (c) Flexible Manufacturing System
 - (d) Six Sigma Quality Management
 - (e) Microfinancing
 - (f) Digital Signatures
2. (a) The Sea Wharf Restaurant would like to determine the best way to allocate a monthly advertising budget of Rs. 50,000 between newspaper advertising and radio advertising. Management has decided that at least 25% of the budget must be spent on each type of media, and that the amount of money spent on newspaper advertising must be at least twice the amount spent on radio advertising. A marketing consultant has developed an index that measures audience exposure per rupee of advertising on a scale from 0 to 100, with higher values implying greater audience exposure. If the value of the index for newspaper advertising is 50 and that for radio advertising is 80, how should the restaurant allocate its advertising budget in order to maximise the value of the total audience exposure? (i) Formulate the problem as a linear programming problem. (ii) Find the optimal solution to the problem using the graphical solution procedure. (iii) Which of the constraints are binding? (iv) How sensitive is your solution to the estimation of index values by the marketing consultant? **40**
- (b) Comment briefly on the Standard Error of Estimate for any given set of observations. **10**
- (c) Distinguish between the V-E-D and the F-S-N classification schemes of materials. **10**
3. (a) Product A consists of two units of subassembly B, three units of C, and one unit of D. B is composed of four units of E and three units of F. C is made of two units of H and three units of D. H is made of five units of E and two units of G. (i) Construct a simple bill of materials, in the form of product structure tree. (ii) Construct an indented parts list. (iii) To produce 100 units of A, determine the number of units of B, C, D, E, F, G and H required. **30**
- (b) The Material Requirement Plan (MRP) gross requirements for item X are given below for the next 10 weeks. The lead time for X is two weeks, and the setup cost is Rs. 9. There is an inventory carrying cost of Rs. 0.02 per unit per week. Beginning inventory is 70 units. **30**

Week	Gross Requirements
1	20
2	10
3	15
4	45
5	10
6	30
7	100
8	20
9	40
10	150

Use the least total cost or the least unit cost lot-sizing method to determine when and for what quantity the first order should be released.

4. (a) Foreign investment in India takes place in the form of (1) Foreign Direct Investment, and (2) Foreign Portfolio Investment. Bring out your views on the merits and demerits of the two forms of investment for their impact on long-term economic development of India. **30**
- (b) 'New Industrial Policy has led to the rapid growth in Gross Domestic Product (GDP), but this growth has not really been inclusive.' Do you agree? Substantiate your answer. **20**
- (c) In the context of FDI, distinguish between 'greenfield strategy' and 'alliance strategy' with suitable illustrations. **10**

SECTION 'B'

5. Comment on the following statements in not more than 10 lines each: **10×6=60**
 - (a) 'Data is used by clerks. Managers depend on their intuitive judgement.'
 - (b) 'Data warehouses are used to store historical data for audit purposes.'
 - (c) 'Information systems should be evaluated on the basis of the level of technology used in them.'
 - (d) 'The goal of strategic planning is to maximize the profit of the enterprise.'
 - (e) 'The system of independent directors has not worked in India.'
 - (f) 'India has a large domestic market of its own. Export-led industry has very limited scope.'
6. (a) Explain some of the technological developments that have led to the rapid growth of e-Business. **20**
- (b) In what way has e-Business affected the operation and management of organizations? Give illustrations. **20**
- (c) What have been the social and economic implications of e-Business? Substantiate your answer with facts and figures. **20**
7. (a) Any supply chain process can primarily be explained by "value chain" concept. Discuss the activities representing the value chain of any business house. **20**
- (b) In a dynamic and competitive environment, discuss how "Reverse Engineering" and "Concurrent Engineering" approaches help in designing the right type of product/right type of process. **20**
- (c) "Core Competence" of an organization is a concept that has often been used to explain why certain organizations have achieved success in highly competitive environments. Explain the concept of Core Competence citing a few examples of industrial firms. **20**
8. (a) It is argued that India has achieved much higher rate of economic growth after its increasing globalization and integration with the world economy. Assess how and to what extent India has benefited from the process of globalization. **20**

- (b) Comment on the balance of India's foreign trade. Is it sustainable in the long run? What policies would you recommend to correct the balance? **20**
- (c) Should Indian industries invest abroad when there is shortage of capital in India? Critically analyse. **20**