

Total No. of Questions : 7]

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P1295

[Total No. of Pages : 2

[4275] - 417

M.B.A.

FINANCIAL MANAGEMENT SPECIALIZATION - VI

406(B) : Strategic Financial Management

(2008 Pattern) (Sem. - IV)

Time : 3 Hours]

[Max. Marks : 70

Instructions to the candidates:-

- 1) Solve any five questions out of given seven.
- 2) All questions carry equal marks.
- 3) Figures to the right indicate full marks.

Q1) Explain the concept of 'Strategic Vendor Management' in detail. Also explain the important & necessary actions to be taken for effective 'Strategic Vendor Management'. [14]

Q2) Explain the need for 'Strategic Compensation Management'. Enumerate various types of employees and respective compensation strategy. [14]

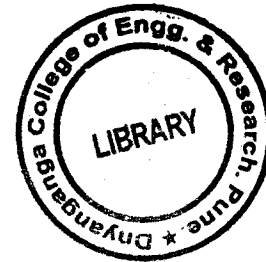
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Q3) 'In the era of Global Economic slowdown, Strategic Financial Management has become more important and relevant for survival' explain the statement. Also state the difference between 'Strategy & Strategist'. [14]

Q4) 'Many Organisations opt for 'Unethical Financial Management' in the light of fierce competition and short term profitability'. Critically evaluate the statement. [14]

Q5) Write short notes on [Any Two]. [14]

- a) Junk Bonds.
- b) Nine 's' model.
- c) Financial Re-engineering.
- d) Corporate Restructuring.



P.T.O.

Q6) Calculate Economic Value Added of the Jaganath Co.Ltd. by refering following data. [14]

Total Asset Value of the enterprice = ₹ 100 Lakhs

Operating profit = ₹ 30 Lakhs

Sources of funds used

Share capital = ₹ 20 Lakhs

Reserve = ₹ 12 Lakhs

10% Loans = ₹ 18 Lakhs

Total = ₹ 50 Lakhs

Dividend Expectations 15%, Opportunity cost of Funds in the industry 12%,
Average Annual rate of inflation 5%, Tax Rate 20%.

Q7) Sardar Automobile has been dealing in spare parts of Motor cars. The Company enjoys a small market shares but a good market - image. The distribution of these products has been entirely done by 10 dealers, who are working for the company since last 15 years. Each dealer of the company deals in all the product. Eventhough the company wants them to work for them exclusively (on very high rate of commission) they are working for company's competitors also. These dealers interfere in company's strategy formulation process. Unfortunately company's own marketing division is not very active in pushing the sales as well as getting market feedback. Sales force of the company get fixed salaries.

Advice the company to improve its performance.

[14]

