

Bangladesh Open University
MBA Program
Semester: 171 (1st Level)

Course: Principles of Management

Due on: May 04, 2018

Instructions

- Answer all the questions in your **own handwriting** on **A4 size white paper**.
- The assignment must be submitted on the assigned date to the Coordinator of the study center you are attached with.
- **Spiral binding is strictly prohibited. Instead, transparent folder or file cover or any other soft binding may be used.**

Questions

1. (a) What do you mean by Management? “Management is both a science and an art.” Explain.
(b) Discuss the background and focus of Scientific Management?
(c) State the contributions of Human Relation Approach and Behavioral Approach to the development of the discipline of Management.
2. (a) Differentiate with examples mission, goals and objectives.
(b) Explain the steps in strategic planning.
3. (a) What is decision making? State the significance of rationality in decision-making.
(b) How decisions are made under conditions of uncertainty and risk? Explain with example.

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Bangladesh Open University
MBA Program
Semester: 171 (1st Level)

Course: Principles of Management

Due on: July 06, 2018

(Assignment is to be presented in own handwriting on A4 size white pages)

1. (a) What does organizing mean? State the logical steps in organizing.
(b) Distinguish between delegation of authority and decentralization of authority.
(c) Explain the principles that management can use to guide delegation of authority.
2. (a) Explain critically Fiedler's Contingency Theory of Leadership.
(b) How can an effective control system be designed? Discuss
3. **Read the following case carefully and answer the questions that follow:**

Managing the Hewlett-Packard Way

William R. Hewlett and David Packard, two organizational leaders who demonstrated a unique managerial style, began their operation with \$538 in 1939, in a one-car garage. Eventually, they built a very successful company that now produces more than 10,000 products, such as computers, peripheral equipment, test and measuring instruments, and handheld calculators. Perhaps even better known than its products is the distinct managerial style preached and practiced at Hewlett-Packard (HP) way.

The values of the founders who withdrew from active management in 1978 – still permeate the organization. The HP way emphasizes honesty, a strong belief in the value of people, and customer satisfaction. The managerial style also emphasizes an open door policy, which promotes team effort. Informality in personal relationship is illustrated by the use of first names. By strolling through the organization, top managers keep in touch with what is really going on in the company.

This informal organizational climate does not mean that the organization structure has not changed. Indeed, the organizational changes in the 1980s in response to environmental changes were quite painful. However, these changes resulted in extraordinary company growth during the 1980s.

Questions:

- (a) Is the Hewlett-Packard way of managing creating a climate in which employees are motivated to contribute to the aims of the organization? What is unique about the HP way?
- (b) Would the HP managerial style work in any organization in Bangladesh? Why or why not? What are the conditions for such a style to work?

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Bangladesh Open University
MBA Program
Semester: 171 (1st Level)

Course: Principles of Marketing

Due on: May 04, 2018

Instructions

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Questions

1. (a) How Marketing is different from Market? Prove with example.
(b) “Marketing plays an important role in improving the quality of life”. Justify this statement focusing the basic marketing functions practically in Bangladesh.
(c) Suppose, you are the Marketing manager of “Akij food and beverage ltd” and assigned to one of its cold drinks brand “Mojo” for developing customer oriented promotion. Now, among the five (5) marketing management philosophies, which concept is mostly applicable for you and why?
2. (a) What do you mean by Business Portfolio and Strategic Business unit? How “Basundhara group of industry” apply the BCG Growth-Share matrix with its diversified units of business? Analyze with a figure.
(b) Assume, you are going to offer a new deodorant brand in Bangladesh for young customers. Relating to this statement, explain how you will evaluate the factors influencing your brands marketing strategy and how you will develop marketing mix for this deodorant brand?
3. (a) “Demographic and psychographic segmentation factors are the most popular bases for segmenting customers group”- Define the variables of these two segmentation bases regarding Unilever Bangladesh ltd’s three (3) toilet soap brands; Lux, Dove and Lifebuoy.
(b) What are the requirements for effective segmentation?
(c) Discuss the merits and demerits of different market-coverage strategies.
4. (a) “A company can differentiate its offer from those of competitors on the basis of product, services, personnel, or image.” Suppose, you are going to launch an unique restaurant at Shahbagh Area Dhaka City, how will you attract your potential customers by differentiating this three (3) ways?
(b) What issues will you consider in selecting the right competitive advantage for your restaurant?

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Bangladesh Open University
MBA Program
Semester: 171 (1st Level)

Course: Principles of Marketing

Due on: July 06, 2018

(Assignment is to be presented in own handwriting on A4 size white pages)

1. (a) “Different people perceive the same situation differently”- Focusing this statement elaborate the three (3) perceptual processes of perception of Advertisement in Television.
- (b) Illustrates the types of consumer buying behavior on the basis of the degree of buyer involvement and the degree of differences among brands of- Laptop, Air Cooler, Salt and Noodles.
- (c) “Marketers must concentrate on the whole buying process rather than on just the purchase decision”- Explain the Buyer decision process for purchasing a cell phone.
2. (a) Illustrate the three (3) levels of product for Sony Bravia LED Television set.
- (b) How would you classify products? Discuss the marketing considerations for consumer products.
3. **Read the following case carefully and answer the questions that follow:**

Partex Group started its journey in 1959 with the torchbearer M.A Hashem, founder chairman of the group. M.A Hashem, the living legend steered the group with such incomparable dynamics and skills, that the group attained prolific growth over a period of 50 years conglomerating 60 companies; most of which are diverse manufacturing units.

The enormous growth and fulfillment of anticipated success caused eventually a natural exodus from patrimonial management system while using the Partex as a springboard that has been held in high respect both at home and abroad for last 50 years for our adherence to values, quality, products and business ethics.

With the passage of time and advent of business, the pioneering spirit of Partex has been showcased by family generation comprising [Mr. Aziz Al-Kaiser](#), [Mr. Aziz Al-Mahmood](#), Mr. Aziz Al-Masud, Mr. Showkat Aziz Russell & [Mr. Rubel Aziz](#). Significantly enough, [Partex Star Group](#) an offshoot of Partex Group steering business successfully with Mrs. Sultana Hashem at Chairperson and Mr Aziz Al Kaiser as Vice Chairman. .

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Partex Group, steered by Mr Showkat Aziz Russell at the helm, operating in business sectors like communications and information technology, energy, materials, services and consumer products. The major Partex Group manufacturing units are Partex Denim, Amber Cotton Mills Limited, Partex Board Mills Limited, Partex Sugar Mills Limited, Partex Rotor Spinning Mills Limited, Partex Energy Limited and service providing companies are Partex Holdings Ltd, Dhakacom Ltd.

The group has created by and large an employment opportunity of over 25,000 employees as collective work force. Partex's companies are market leaders in nearly all sectors, including food and beverages, plastics, fabrics, cotton, sugar, paper, jute, shipping, furniture, real estate, media, education, services, IT, and many more.

Questions:

- (a) Describe the decision- making process followed by Partex Group in increasing the length of its product line.
- (b) Define the Marketing concept of Marketing Management philosophy regarding various brand development of Partex group.
- (c) Describe the Marketing mix functions for Partex group.
- (d) As a consumer, do you want to purchase food products from Partex or Square company? How do you evaluate Partex as a brand?

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Bangladesh Open University
MBA Program
Semester: 171 (1st Level)

Course: Financial Accounting

Due on: May 04, 2018

Instructions

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Questions:

1. (a) Describe the various types of individuals who use accounting information and how they use that information to make important decisions.
 (b) What is the accounting equation? Briefly explain each of the three parts.

2. Let's examine a case using Greg's Tunes and Sal's Silly Songs. It is now the end of the first year of operations, and both owners want to know how well each business came out at the end of the year. Neither business kept complete accounting records, and neither owner made any withdrawals. The businesses throw together the data shown below at year-end:

Sal's Silly Songs:	
Total Assets	TK. 23,000
Owner Contribution	8,000
Total Revenues	35,000
Total Expenses	22,000
Greg's Tunes:	
Total Liabilities	TK. 10,000
Owner Contribution	6,000
Total Expenses	44,000
Net Income	9,000

To gain information for evaluating the businesses, the owners ask you several questions. For each answer, you must show your work to convince the owners that you know what you are talking about.

Required:

- (a) Which business has more assets?
- (b) Which business owes more to creditors?
- (c) Which business has more owner's equity at the end of the year?
- (d) Which business brought in more revenue?
- (e) Which business is more profitable?
- (f) Which of the foregoing questions do you think is most important for evaluating these two businesses? Why?
- (g) Which business looks better from a financial standpoint?

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3. The trial balance of Beautiful Tots Child Care does not balance.

BEAUTIFUL TOTS CHILD CARE

**Trial Balance
August 31, 2017**

Account Title	Balance	
	Debit	Credit
Cash	7,900	
Accounts Receivable	6,700	
Office Supplies	1,000	
Prepaid Insurance	300	
Equipment	91,500	
Accounts payable		Tk. 3,400
Notes Payable		45,000
Trumball, Capital		57,000
Trumball, Withdrawals	5,000	
Service Revenue		12,350
Salaries Expense	4,400	
Rent Expense	750	
Total	Tk.117,550	Tk.117,550

The following errors are detected:

- (a) Cash is understated by TK.1,500.
- (b) A TK.4,100 debit to Accounts Receivable was posted as a credit.
- (c) A TK.1,400 purchase of office supplies on account was neither journalized nor posted.
- (d) Equipment was incorrectly transferred from the ledger as TK.91,500. It should have been transferred as TK.83,000.
- (e) Salaries Expense is overstated by TK.700.
- (f) A TK.300 cash payment for advertising expense was neither journalized nor posted.
- (g) A TK.200 owner's withdrawal of cash was incorrectly journalized as TK.2,000.
- (h) Service Revenue was understated by TK.4,100.
- (i) A 12-month insurance policy was posted as a TK.1,900 credit to Prepaid Insurance. Cash was posted correctly.

Required:

Prepare the corrected trial balance as of August 31, 2017.

4. Consider the following situations for Betterton Welding Services:
- (a) Depreciation for the current year includes equipment, TK.2,100.
 - (b) Each Monday, Betterton pays employees for the previous week's work. The amount of weekly payroll is TK.1,400 for a seven-day workweek (Monday to Sunday). This year, December 31 falls on Thursday.
 - (c) The beginning balance of Office Supplies was TK.2,300. During the year, Betterton purchased office supplies for TK.3,000, and at December 31 the office supplies on hand totaled TK.1,000.

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- (d) Betterton prepaid a two full years' insurance on July 1 of the current year, TK.6,000. Record insurance expense for the year ended December 31.
- (e) Betterton had earned TK.2,800 of unearned revenue.
- (f) Betterton had incurred (but not recorded) TK.200 of interest expense on a note payable. The interest will not be paid until February 28.
- (g) Betterton billed customers TK.3,000 for welding services performed.

Required:

Journalize the adjusting entry needed on December 31 for each situation.

5. Kathy Wintz formed a lawn service business as a summer job. To start the business on May 1, 2017, she deposited TK.1,000 in a new bank account in the name of the business. The TK.1,000 consisted of a TK.600 loan from Bank One to her company, Wintz Lawn Service, and TK.400 of her own money. The company issued TK.400 of capital to Wintz. Wintz rented lawn equipment, purchased supplies, and hired other students to mow and trim customers' lawns.

At the end of each month, Wintz mailed bills to the customers. On August 31, she was ready to dissolve the business and return to college. Because she was so busy, she kept few records other than the checkbook and a list of receivables from customers.

At August 31, the business's checkbook shows a balance of TK.2,000, and customers still owe TK.750. During the summer, the business collected TK.5,500 from customers. The business checkbook lists payments for supplies totaling TK.400, and it still has gasoline, weed trimmer cord, and other supplies that cost a total of TK.50. The business paid employees TK.1,800 and still owes them TK.300 for the final week of the summer.

Wintz rented some equipment from Ludwig's Machine Shop. On May 1, the business signed a six-month rental agreement on mowers and paid TK.600 for the full rental period in advance. Ludwig's will refund the unused portion of the prepayment if the equipment is returned in good shape. In order to get the refund, Wintz has kept the mowers in excellent condition. In fact, the business had to pay TK.300 to repair a mower.

To transport employees and equipment to jobs, Wintz used a trailer that the business bought for TK.300. The business estimates that the summer's work used up one-third of the trailer's service potential. The business checkbook lists a payment of TK.500 for cash withdrawals paid during the summer. The business paid the loan back during August. (For simplicity, ignore any interest expense associated with the loan.)

Required:

- (a) As a team, prepare the income statement and the statement of owner's equity of Wintz Lawn Service for the four months May 1 through August 31, 2017.
- (b) Prepare the classified balance sheet (report form) of Wintz Lawn Service at August 31, 2017.
- (c) Was Wintz's summer work successful? Give your team's reason for your answer.

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Bangladesh Open University
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Semester: 171 (1st Level)

Course: Financial Accounting

Due on: July 06, 2018

(Assignment is to be presented in own handwriting on A4 size white pages)

1. The records of Farm Quality Steak Company list the following selected accounts for the quarter ended April 30, 2017:

Interest Revenue	TK. 400	Accounts Payable	TK. 17,700
Merchandise Inventory	45,000	Accounts Receivable	38,200
Notes Payable, long-term	54,000	Accumulated Depreciation—Equipment	37,700
Salaries Payable	2,800	Fisher, Capital	35,380
Net Sales Revenue	298,000	Fisher, Withdrawals	25,000
Rent Expense (Selling)	15,100	Cash	7,100
Salaries Expense (Administrative)	2,000	Cost of Goods Sold	154,960
Office Supplies	6,500	Equipment	132,000
Unearned Revenue	13,100	Interest Payable	1,700
Interest Expense	2,100	Rent Expense (Administrative)	7,100
Depreciation Expense—Equipment (Administrative)	1,320	Salaries Expense (Selling)	6,000
Utilities Expense (Administrative)	4,600	Utilities Expense (Selling)	10,000
Delivery Expense (Selling)	3,800		

Required:

- (a) Prepare a single-step income statement.
- (b) Prepare a multi-step income statement.
- (c) M. Fisher, owner of the company, strives to earn a gross profit percentage of at least 50%. Did Farm Quality achieve this goal? Show your calculations.
2. Assume that AB Tire Store completed the following perpetual inventory transactions for a line of tires:

May 1	Beginning merchandise inventory	16 tires @ Tk. 65 each
11	Purchase	10 tires @ Tk. 78 each
23	Sale	12 tires @ Tk. 88 each
26	Purchase	14 tires @ Tk. 80 each
29	Sale	18 tires @ Tk. 88 each

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Required:

- (a) Compute cost of goods sold and gross profit using the FIFO inventory costing method.
 - (b) Compute cost of goods sold and gross profit using the LIFO inventory costing method.
 - (c) Compute cost of goods sold and gross profit using the weighted-average inventory costing method. (Round weighted-average cost per unit).
 - (d) Which method results in the largest gross profit, and why?
3. On January 3, 2017, Rapid Delivery Service purchased a truck at a cost of Tk.100,000. Before placing the truck in service, Rapid spent Tk.3,000 painting it, Tk.600 replacing tires, and Tk.10,400 overhauling the engine. The truck should remain in service for five years and have a residual value of Tk.12,000. The truck's annual mileage is expected to be 32,000 miles in each of the first four years and 8,000 miles in the fifth year—136,000 miles in total. In deciding which depreciation method to use, Andy Sargeant, the general manager, requests a depreciation schedule for each of the depreciation methods (straight-line, units-of-production, and double-declining-balance).

Required:

- (a) Prepare a depreciation schedule for each depreciation method, showing asset cost, depreciation expense, accumulated depreciation, and asset book value.
 - (b) Rapid prepares financial statements using the depreciation method that reports the highest net income in the early years of asset use. Consider the first year that Rapid uses the truck. Identify the depreciation method that meets the company's objectives.
4. Asha Ltd. with authorized Capital of 30,000 shares of Tk. 20/- each issued 20,000 shares of Tk.20 each payable as follows:
- On application Tk.12 (including Tk.4 as premium)
 - On allotment Tk.8
 - On call Tk.4

Applications were received for 37,000 shares, of which the application money on 7,000 shares were refunded and allotment was made to the rest of the applicants on pro-rata basis.

All the money due on the shares was received in full with the exception of allotment money on 300 shares and call money on 500 shares (including those on which allotment money was due). These 500 shares were forfeited by the company. Subsequently, 400 of these shares, of which 300 were those shares on which allotment money was not paid, were re-issued at Tk.15 per share as fully paid up.

Show Journal Entries (including the cash transactions) and the Balance Sheet of the Company.

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Bangladesh Open University
MBA Program
Semester: 171 (1st Level)

Course: Microeconomics

Due on: May 04, 2018

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Questions

1. What are the three economic questions that must be answered by every society? How are these problems of an economy solved in a capitalist economy?
2. Explain supply schedule, supply curve and supply function. Derive the supply curve from the supply function $Q = 30 - 5P$.
3. What is price elasticity of supply? Describe the determinants of price elasticity of supply.
4. What is utility? Is it measurable? Describe different approaches to the measurement of utility.
5. Derive a demand curve with the help of indifference curves.

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Bangladesh Open University
MBA Program
Semester: 171 (1st Level)

Course: Microeconomics

Due on: July 06, 2018

(Assignment is to be presented in own handwriting on A4 size white pages)

1. Explain the relationship between the average cost and marginal cost curves.
2. What is the law of diminishing returns? Why it is called the law of variable proportions?
3. What are the characteristics of perfect competition? Under what market conditions a firm is a price taker?
4. Discuss the characteristic features of monopolistic competition. How does it differ from perfect competition?
5. **Read the following case carefully and answer the questions that follow:**

Facebook

Firms in India are losing productivity because of Facebook. Office staff are spending too long on the social networking site. According to The Associated Chambers of Commerce and Industry (Assocham) employees use Orkut, Facebook, Myspace, and LinkedIn for "romancing" and other purposes. On average, employees spend an hour a day on sites like Facebook. This reduces productivity by 12.5%. Nearly half of office employees accessed Facebook during work time. Some 83% saw nothing wrong in surfing at work during office hours. In September 2009 Portsmouth City Council in England banned staff from accessing Facebook on its computers when it was discovered that they spent, on average, 400 hours on the site every month.

Questions:

1. What is meant by productivity?
2. Analyze the impact on a fall in productivity on costs.
3. Analyze the possible consequences for businesses in India of banning access to Facebook and other social networking sites.
4. Do you think access should be denied?

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Bangladesh Open University
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Semester: 171 (1st Level)

Course: Business Communication

Due on: May 04, 2018

Instructions

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Questions

1. (a) Define business communication. Explain why communication is called the lifeblood of business?
(b) Enumerate the nature of business communication.
(c) Identify and describe the different functions of business communication.
(d) Provide logical explanation of the statement: “*Business communication is an indispensable part of our lives, be it personal or official.*”
2. (a) In context of business communication, what is meant by the term Adaptation? How is it practiced?
(b) What are the measures of writing short sentences? Describe with adequate examples.
(c) How can we maintain unity in sentence content? Write in detail the process of maintaining unity amongst the paragraphs of a write-up.
3. (a) List the possible objectives of communication.
(b) Explain how communication can be used to motivate employees within an organization.
(c) With appropriate examples discuss how an Executive can convey good, bad and neutral messages to different types of audience through business communication.
4. (a) With the help of a diagram explain the communication process.
(b) What is ego state? How does each of the ego states work?

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Bangladesh Open University
MBA Program
Semester: 171 (1st Level)

Course: Business Communication

Due on: July 06, 2018

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- What are the strategies in the job search process?
 - With appropriate example write about the formats of curriculum vitas and resumes.
- Read the following case and answer the questions that are provided at the end.**

‘Expense Reduction Analysts’

Expense Reduction Analysts is a global franchise organization that operates in more than 25 countries and employees over 700 consultants. Their focus is on non-core cost consulting in more than 40 categories including supplier management, process reengineering and office suppliers. Clients include for example manufacturers, healthcare providers and retailers. Expense Reduction Analysts operates on a success based model that makes their services low-risk for customers. Incentives to the organization are paid based on the amount of savings achieved. The cost consulting process lasts 24 months and has four different steps: analysis, research, selection, and implementation. The organization’s philosophy is based on common targets with clients, and values include openness, teamwork, confidence and trust. (e.g, www.en.expensereduction.com)

Owner Fred Marfleet founded the organization in 1993. It is based in the United Kingdom, with headquarters in Kent. There are 25 staff members including a management team working at the headquarters that manage approximately 300 franchisees across Europe. The organization is based on the area developer model of franchising but in the United Kingdom, Mexico, Brazil, New Zealand, Ecuador and parts of the United States and Australia the master franchisee model is applied. A report by the World Franchise Associates (2010) introduces the two most common types of franchise models that are in use also at Expense Reduction Analysts. The master franchise model gives the franchisee the rights to operate in a specific area or country after paying a franchise fee. They can then further give away franchisee rights in that particular territory and in general have more rights in terms of making new arrangements and agreements in their area than the franchisees that operate under the area development model. The area development arrangements give the franchisee the opportunity to recruit and train new franchisees in the specific operating area. Different from the master franchisee model, an area developer does not make contracts with the new franchisees, but works and gains a fee as an intermediary in finding and recruiting the new franchisees to the organization. The area developer rights are usually issued for a shorter period of time than the master franchisee rights, which are

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commonly granted for 15 years or more.

Now Answer the Following Questions:

- (a) What challenges in cross-cultural communication does the case company face?
- (b) How do the employees feel that the company currently approaches cultural differences?
- (c) In what ways can the case company decrease the potential for cross-cultural conflicts and therefore increase the effectiveness of multicultural communication?

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Bangladesh Open University
MBA Program
Semester: 171 (1st Level)

Course Title: Fundamentals of Financial Management

Due on: May 04, 2018

Instructions

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Questions

1. (a) Define Finance and Financial Management.
 (b) “The objective of a company must be to create value for its shareholders” – Explain the statement logically.
 (c) What is agency problem? How it can be solved?
2. (a) What is ‘Time Value of Money’? Explain with an example.
 (b) What is cash flow time line? Explain with the help of a diagram
 (c) Find the amount to which Taka 1,500 will grow under each of the conditions:
 i. 12 percent compounded annually for 7 years;
 ii. 12 percent compounded semiannually for 7 years;
 (d) Assume that it is now January 1, 2000. On January 1, 2001, you will deposit Tk. 1000 into a Savings Account of Janata Bank that pays 12 percent interest per annum.
 Required:
 (a) If the bank compounds interest annually how much will you have in your account on January-1, 2006?
 (b) What would your January-1, 2005 balance be if the bank used quarterly compound?
3. (a) How many and which factors determine portfolio risk?
 (b) How would you define market risk and return? What is market efficiency? Explain the stages of market efficiency.
 (c) Securities X and Y have the following characteristics:

Security X		Security Y	
Return	Probability	Return	Probability
30%	0.10	-20%	0.05
20%	0.20	10%	0.25
10%	0.40	20%	0.30
5%	0.20	30%	0.30
-10%	0.10	40%	0.10

You are required to calculate (a) The expected return of the securities, (b) Standard deviation of return for each security.

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Course Title: Fundamentals of Financial Management

Due on: July 06, 2018

(Assignment is to be presented in own handwriting on A4 size white pages)

Questions

1. (a) What is cost of capital?
 (b) Discuss the methods used in the determination of cost of the following types of capital: (i) Debt; (ii) Equity; (iii) Retained Earnings and (iv) Overall capital.
 (c) What are the problems in determining cost of capital?
 (d) A firm has the following data: Target capital structure of 46 percent debt, 3 percent preferred, and 51 percent common equity; Tax rate 40%; r_d 7%; r_p 7.5%; and r_s 11.5%. Assume the firm will not be issuing new stock. What is this firm's WACC?
2. (a) Distinguish between Capital Structure and Financial Structure.
 (b) Explain in detail the following Capital Structure Approaches: (i) Net Income and (ii) Net Operating Income
 (c) Discuss the significance of Capital Structure.
3. (a) Define working capital and working capital management.
 (b) What is the goal of working capital management policy? Discuss.
 (c) Distinguish between: (i) Permanent working capital and (ii) Temporary working capital.
4. **Case Study:**
 Abacus Calculation Company and Zoom Calculators, Inc., are identical except for capital structures. Abacus has 45 percent debt and 55 percent equity, whereas Zoom has 25 percent debt and 75 percent equity. (All percentages are in market-value terms.) The borrowings rate for both companies is 8 percent in a no-tax world, and capital markets are assumed to be perfect.
 - (a) (1) If you own 2 percent of the stock of Abacus, what is dollar return if the company has net operating income of \$660,000 and the overall capitalization rate of the company, k_0 , is 17 percent? (2) What is the implied required rate of return on equity?
 - (b) Zoom has the same net operating income as Abacus. (1) What is the implied required equity return of Zoom? Why does it differ from that of Abacus?