

PGDM RM, 2016-18
Mall Management
RM-307

Trimester – III, End-Term Examination: March 2017

Time allowed: 2 Hrs 30 Min
Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

| Sections | No. of Questions to attempt | Marks | Marks |
|----------|------------------------------|--------------------|-----------|
| A | 3 out of 5 (Short Questions) | 5 Marks each | 3*5 = 15 |
| B | 2 out of 3 (Long Questions) | 10 Marks each | 2*10 = 20 |
| C | Compulsory Case Study | 15 Marks | 15 |
| | | Total Marks | 50 |

Section A

Q1. In GRDI 2016 which are the four variables and the sub variables? Briefly explain each. Which three variables have been updated? (4+1)

Q2. What are the factors which decide the FAR? What are the implications of the FAR on (a) Developers (b) Impact on land value (2+1.5+1.5)

Q3. Compare the tenant mix of Great India Place, Noida and DLF Mall of India, Noida in terms of: anchors/ major stores, food and grocery, restaurants, cafes, jewellery, footwear, cosmetics, apparel, infant care, electronics and telecommunications. (0.5 x 10)

Q4. Which are the Environmental legislations applicable to a mall? Which insurance is usually taken in a mall which is operational? Which labour laws are applicable in an operational/ under construction mall? (2+1.5+1.5)

Q5. Define in context of real estate agreements: BG, subleasing, assignment of lease, lease agreement. What is the difference between rental agreement and leave and license agreement? (2+3)

Section B

Q1. A developer lets out a space of 1500 sq.ft on rental under the following 2 options:
Option 1: Rental = Rs 60/sq.ft/month for 2 years,

Option2: Rental = Rs 30/sq.ft/month for 1st year. After 1st year there is a rental hike of 5%/month. Additionally besides the rental; right from the 1st month till the 24th month the developer charges 5% of the sales values as revenue share/month. Sales data (in lakhs) is given below in the table. Which of the two options is better for the tenant and why? (10)

| | Year 1, sales value in (lakhs) | Year 2, sales value in (lakhs) |
|-------|--|---|
| Jan | 15 | 16 |
| Feb | 18 | 19 |
| Mar | 20 | 21 |
| Apr | 10 | 11 |
| May | 15 | 16 |
| June | 10 | 11 |
| July | 8 | 9 |
| Aug | 15 | 17 |
| Sep | 18 | 19 |
| Oct | 25 | 26 |
| Nov | 25 | 26 |
| Dec | 20 | 21 |
| Total | 199 | 212 |

Q2. Pl. detail out all the components of SCQI (Shopping centre quality index). For the mall you have visited (pl. name the mall, its area and city), prepare a SCQI table and explain your assumptions. (6+ 2)

Q3. You have been asked to explore the options of opening a multiplex in Noida/ Greater Noida. Where would you open the same (if any) and why? What would be the factors you would consider for the same? Explain each of them and state assumptions if any. Prepare a break even plan for the same. Use similar logic to the case study solved by you. (3+3+4)

Section C

Q1.

| Maintenance expenses | | | | |
|-----------------------------|-------------|----------|--------------------------------------|---------|
| Activity | Frequency | Number/s | Cost(Rs)/ unit or given time period* | Comment |
| Water supply pump cleaning | Monthly | 3 | 600 | |
| Storage water tank cleaning | Quarterly | 2 | 500 | |
| Transformer maintenance | Monthly | 2 | 200 | |
| LT panel and bus duct | Half yearly | 20 | 400 | |

| | | | | |
|--------------------------------|---|----------------|--------|---|
| Maintenance of 1250 KVA DG set | | | | DG set was in operation for 6100 hrs over 12 months |
| check | B | After 300 hrs | 5000 | |
| C check | | After 1500 hrs | 50000 | |
| D check | | After 6000 hrs | 200000 | |

| Operating expenses | | | | |
|---|---------------------|------------------------------|---------------------|---|
| | Description | No's | Expense(Rs)/ tanker | Direct consumption(KL) through municipality |
| Water supply | Through tankers | 7 | 600 | 55 |
| Municipality water charges | | | | |
| Water monthly consumption(KL) | Service Charge (Rs) | Volumetric charge(Rs) per KL | | |
| 0-6 | 146 | 15 | | |
| 6-15 | 293 | 22 | | |
| 15-25 | 586 | 29 | | |
| 25-50 | 1025 | 73 | | |
| 50-100 | 1171 | 117 | | |
| >100 | 1318 | 176 | | |
| Sewer maintenance charges are 60% of volumetric water charges | | | | |

| Category | Fixed charges(Rs)/KVA/month | Energy charges(Rs)/Kahn |
|---|-----------------------------|-------------------------|
| Non- domestic high tension(NDHT) for supply at 11KV and above (for load greater than 100KW/108KVA) | 125 | 8.4 |

The Single Point Delivery Supplier shall charge the NDHT tariff to its LT consumers and in addition shall be entitled to charge an extra upto 5% of the bill amount at NDHT tariff to cover losses and all its expenses

| | | |
|------------------------------------|--------------------|------------------------------------|
| Load for fixed electricity charges | Energy consumption | Total diesel consumption(Rs)/month |
| 1 MVA | 1.3 MVAH | 120000 |

1MVA= 1000 KVA

1MVAH=1000KVAH

| Description | No's | Salary(Rs)/month |
|-------------------------|------|------------------|
| Guards | 60 | 8500 |
| Supervisors | 5 | 18000 |
| Housekeeping staff | 40 | 7500 |
| Housekeeping supervisor | 4 | 16000 |

Total Mall area = 800000 sq.ft

Calculate maintenance expenses in (Rs/sq.ft/month). What is the payout for an outlet having a super area of 1500 sq.ft? In the above mall. (Note: No assumptions need to be made in the question. All information is given in the question itself.) (14+1)
