

**DR. B. R. AMBEDKAR OPEN UNIVERSITY
DEPARTMENT OF COMMERCE**

**M.Com (P) –1: ORGANISATION THEORY AND BEHAVIOUR
(2017-18 Batch)**

ASSIGNMENT – I

**Answer all questions
Each question carries FIVE marks**

(Marks: 15)

1. Distinguish between Systems and Contingency theories of organisation with the help of suitable examples.
2. Examine the trends in the models of organisational behaviour as they developed over a period. Which type of model do you suggest to Universities? Why?
3. What is perception? Explain the perceptual process? Discuss the factors affecting perception.

ASSIGNMENT – II

**Answer all questions
Each question carries FIVE marks**

(Marks: 15)

1. What is Learning? Explain its principles with suitable examples. Discuss the Learning Cycle.
2. What is the concept of Organisational Conflict? Are Organisational Conflicts always dysfunctional? Discuss in detail. How do you resolve Conflicts in the Organisations?
3. Discuss in detail, the various styles of leadership. Which style do you think is more suitable to Indian Environment? Why?

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**M.Com (P) – 02: ACCOUNTING FOR MANAGEMENT
(2017-18 Batch)**

ASSIGNMENT – I

**Answer all questions
Each question carries FIVE marks**

(Marks: 15)

1. Examine the role of management accounting in a fast changing business environment. In what manner can management accounting be considered as an extension of financial accounting? Give salient points of distinction between the two.
2. From the following information pertaining to a company prepare its Trading, P&L A/c for the year ended March 31, 2017 and a summarised Balance Sheet as at that date.

Current ratio	2.5
Quick ratio	1.3
Proprietary ratio (Fixed assets / Proprietary fund)	0.6
Gross profit ratio	10%
Debtors velocity	40 days
Sales	Rs.14,60,000
Working Capital	Rs. 2,40,000
Bank overdraft	Rs. 30,000
Net profit	10% of proprietary funds
Closing stock is 10% more than opening stock.	

3. The summarised Balance Sheets of MRG Ltd. as on March 31, 2016 and 2017 are as follows:

	March 31, 2016 Rs.	March 31, 2017 Rs.
Fixed assets (at cost)	16,00,000	19,00,000
Less Depreciation	4,60,000	5,80,000
	11,40,000	13,20,000
Trade investments	2,00,000	1,60,000
Debtors	3,00,000	3,50,000
B/R	1,00,000	2,00,000
Bank	1,60,000	1,10,000
Preliminary expenses	1,40,000	1,20,000
	20,40,000	22,60,000
Share capital	7,00,000	9,00,000
Capital reserve	----	20,000

General reserve	3,40,000	4,00,000
Debentures	4,00,000	2,80,000
P&L A/c	1,20,000	1,50,000
Liabilities for goods and services	2,40,000	2,60,000
Proposed dividend	60,000	72,000
Provision for tax	1,80,000	1,70,000
Unpaid dividend	-----	8,000
	20,40,000	22,60,000

During the year 2017 the company.

- i) Sold one machine for Rs.50,000; the cost of machine was Rs.1,28,000 and the depreciation provided for it amounted to Rs.70,000
- ii) Redeemed debentures @ 103
- iii) Sold some trade investments at profit credited to capital reserve.
- iv) Decided to value the stock at cost, whereas previously the practice was to value stock at cost less 10%. The stock according to books on 31-3-2016 was Rs.1,08,000, the stock on 31-3-2017 Rs.1,50,000 was correctly valued.

You are required to prepare the statement of changes in working capital and funds flow statement.

ASSIGNMENT – II

Answer all questions
Each question carries FIVE marks

(Marks: 15)

1. From the following Balance sheets of a company, prepare Cash Flow Statement:

Balance Sheets

LIABILITIES	31-3-2016	31-3-2017	ASSETS	31-3-2016	31-3-2017
Equity Share Capital	4,00,000	6,00,000	Goodwill	1,00,000	80,000
12% Preference					
Share Capital	2,00,000	1,00,000	Land & Buildings	2,00,000	1,00,000
General Reserve	40,000	60,000	Plant	1,80,000	3,82,000
Profit & Loss A/c	36,000	54,000	Trade Investments	20,000	70,000
Proposed Dividend	56,000	78,000	Debtors	1,50,000	2,16,000
Bills Payable	70,000	1,06,000	Stock	1,70,000	1,56,000
Outstanding Expenses	16,000	15,000	Cash	34,000	56,000
Provision for Tax	56,000	64,000	Preliminary Exps.	20,000	14,000
	8,74,000	10,74,000		8,74,000	10,74,000

Additional Information

Depreciation charged on Land and Buildings is Rs.1,00,000 and on Plant is Rs.50,000 during the year.

2. AKOSUMA Ltd. is engaged in 3 distinct lines of production. Their production cost per unit and selling prices are as under:

	A	B	C
Production (Units)	3,000	2,000	5,000
	Rs.	Rs.	Rs.
Marginal Cost	18	26	30
Wages	7	9	10
Variable overheads	2	3	3
Fixed overheads	5	8	9
Total Cost	32	46	52
Selling Price	40	60	61
Profit	8	14	9

The management wants to discontinue one line and gives you the assurance that production in two other lines shall rise by 50%. They intend to discontinue the line which produces Article A as it is less profitable.

- a) Do you agree to the scheme in principle? If so, do you think that the line which produces 'A' should be discontinued.
 - b) Offer your comments and show the necessary statements to support your decision.
3. What is Current Cost Adjustment Accounting? Discuss the adjustments to be made while preparing financial statements under CCA method.

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**M.Com (P) – 3: FINANCIAL MANAGEMENT
(2017-18 Batch)**

ASSIGNMENT – I

**Answer all questions
Each question carries FIVE marks**

(Marks: 15)

1. a) Explain the objectives of Financial Management.
b) How is the finance function in a firm organised? What functions do finance managers perform?
c) Discuss risk return trade off?
d) What do you understand by time value of money?
2. a) What are the different types of Capital Budgeting decisions?
b) If you deposit Rs.1000 today in a bank which pay 10% interest compounded annually. What will be the amount of deposit after 8 years and 12 years.
c) A project requires an initial investment of Rs.20,000 and generates the following CFs for 5 Years.

YEAR	1	2	3	4	5	
CFs (Rs.'000)	6	8	5	4	4	

Calculate Pay Back period of the project.

- d) An investment project will cost Rs.50,000 initially and it is expected to generate cash flows in years one through four of Rs.25,000, Rs.20,000, Rs.10,000 and Rs.10,000. What is the project's NPV? Assume a 10% Risk –free rate.
3. a) What are the causes of risk and uncertainty?
b) Define project formulation? and explain the stages of project formulation.
c) From the following data state which project in better:

YEAR	A	B
0	-10,000	-10,000
1	4,000	5,000
2	4,000	6,000
3	2,000	3,000

Riskless discount rate is as compared to project B.

5% Project 'A' is less risky
The management considers risk premium at 5% and 10% respectively appropriate for discounting the Cash flows.

- d) Differentiate between NPV and IRR methods of project evaluation.

ASSIGNMENT – II

Answer all questions
Each question carries FIVE marks

(Marks: 15)

1.
 - a) Discuss the dimensions of a firm's credit policy.
 - b) Explain the various dividend policies followed by the Indian corporate world.
 - c) Differentiate between the business risk and financing risk of a firm. How are they measured by the leverage.
 - e) XYZ Ltd. Issues 15% preference shares of the face value of Rs.100 each at a flotation cost of 4%. Find out the cost of capital of preference share if the preference shares are irredeemable.

2.

- a) Explain the accounting treatment of leasing.
- b) From the following information determine the EOQ.
 - a) Monthly consumption – 150 Units.
 - b) Listed price per unit – Rs.10
 - c) Trade discount allowed is 25% of the list price
 - d) Cost of carrying per unit –Ps.1
 - e) Cost of placing an order – Rs.25
 - f) The usage is evenly spread throughout the year.
- c) Sandeep Electronics Ltd. has current operating income of Rs.12 lakhs. The company has Rs.60 lakhs,12lakhs 12% debentures.

The cost of capital (Equity)=15%

Calculate the current value of the firm, using traditional model.

- d) Deepak Machines Ltd., wants to relax its credit policy. It sells at present 50,000 units at a price of Rs.150 per unit, the variable cost is Rs.120 per unit and the average cost per unit is Rs.126. All the sales are on credit, the average collection period being 30 days.

With the relaxation of credit policy it is expected that sales will increase by10% and average age of receivables to 60 days. Assuming 15% refunds, should the firm relax its credit policy?

3.

- a) Explain briefly the motives for holding cash.
- b) Define the term venture capital? Explain its features and characteristics.
- c) The following information is available for Mr.X Corporation Ltd.

EPS – Rs.6

Rate of return on investments – 20%

Rate of return received by shareholder is-16%

What will be the price per share as per Walter model if the payout ratio is: (a) 40% (b) 50% (c) 60%

d) Calculate the average cost of capital before tax and after tax from the following information.

(Assume that the tax is 55%)

TYPES OF CAPITAL	PROPORTION IN THE NEW CAPITAL STRUCTURE (%)	BEFORE TAX COST OF CAPITAL (%)
Equity Capital	25	24.44
Preference Capital	10	27.29
Debentures	50	7.99
Retained earnings	15	18.33

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**M.Com (P) – 4: MARKETING MANAGEMENT
(2017-18 Batch)**

ASSIGNMENT – I

**Answer all questions
Each question carries FIVE marks**

(Marks: 15)

- 1) Explain the different approaches to understand Marketing. Also discuss the relevance of Marketing in different sectors.
- 2) What is marketing environment? What are the factors of marketing environment. Discuss the importance of International Marketing.
- 3) a) Define segmentation and discuss the bases for segmentation.
b) Discuss in detail, the importance and factors influencing consumer behaviour.

ASSIGNMENT – II

**Answer all questions
Each question carries FIVE marks**

(Marks: 15)

- 4) How do you classify products? What are the factors determining product diversification? And also describe the stages in new product development.
- 5) What is the role of pricing in marketing Mix? Discuss various methods of pricing with suitable examples.
- 6) a) Explain the significance and factors influencing channel design decisions.
b) Briefly explain the purpose of advertising and steps involved in measuring advertising effectiveness.

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**M.Com (P) - 5: BUSINESS ENVIRONMENT
(2017-18 BATCH)**

ASSIGNMENT – I

(MARKS: 15)

ANSWER ALL QUESTIONS

ALL QUESTIONS CARRY EQUAL MARKS

1. A. Explain the process of Environmental Analysis.
B. List out the various second generation reforms that you have learnt about.
2. Write briefly about:
 - a. The factors influencing corporate governance, and
 - b. Socio-economic objectives of planning in India.
3. Write short notes on:
 - a. Methods of Privatisation, and
 - b. The characteristics of small business enterprises.

ASSIGNMENT – II

(MARKS: 15)

ANSWER ALL QUESTIONS

ALL QUESTIONS CARRY EQUAL MARKS

1. Explain lucidly as to what you understand by:
 - i) Industrial Policy, and
 - ii) Monetary Policy of a Country.Give one or two pertinent examples for each of these concepts.
2. Learn and explain from the open sources the following, in or about a page or two:
 - a. Goods and Service Tax (GST) or Value Added Tax (VAT) ; and
 - b. Foreign Direct investment (FDI).
3. What are Multinational Corporations (MNCs)? Explain briefly the various determinants of MNC activity.

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**M.Com (F) – 6: QUANTITATIVE TECHNIQUES
(2016-17 Batch)**

ASSIGNMENT – I

**Answer all questions
Each question carries FIVE marks**

(Marks: 15)

1. Define research and discuss the different steps involved in research process?
2. a) Explain various components of time series.

b) The following data are a local newspaper's readership figures, in thousands:

Year:	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Readers:	53	65	74	85	92	105	120	128	144	158	179	195

Do trend analysis, and forecast the total number of readers for 1998 and for 1999.

3. a) Explain what is meant by coefficient of correlation between two variables. What are the different methods of finding correlation? Distinguish between positive and negative correlation.
- b) The following data are from an article entitled "Italian business fears ECU delay".

Year	Italy's Deficit/ GDP ratio (%)	Lira/Mark exchange-rate
1992	9.5	925
1993	9.4	970
1994	7.5	1050
1995	6.5	1100
1996	4.0	1020
1997	6.0	980

Is there a linear relationship? Are there any outliers?

ASSIGNMENT – II

Answer all questions
Each question carries FIVE marks

(Marks: 15)

1. The profit (or loss) from an investment is normally distributed with a mean of Rs.11200 and a standard deviation of Rs.8250.
 - a. What is the probability that there will be a loss rather than a profit?
 - b. What is the probability that the profit will be between Rs.10000 and Rs.20000?
 - c. Find X such that the probability that the profit will exceed X is 25%
 - d. If the loss exceeds Rs.10000 the company will have to borrow additional cash. What is the probability that the company will have to borrow additional cash?
 - e. Comment on the risk in the investment.

2. Consider the use of metal detectors in airports to test people for concealed weapons. In essence, this is a form of hypotheses testing.
 - a. What are the null and alternative hypotheses?
 - b. What are type I and type II errors in this case?
 - c. Which type of error is more costly?
 - d. Based on your answer to part (c), What value of α would you recommend for this test?
 - e. If the sensitivity of the metal detector be increased, how would the probabilities of type I and type II errors be affected?
 - f. If α is to be increased, should the sensitivity of the metal detector be increased or decreased?

3.
 - a) List the elements of a decision problem, and explain how they interrelate.
 - b) The manufacture of jet engines needs to; control the maximum power delivered by engines. The following are readings to power for successive engines produced:

121 122 121 125 123 121 129 123 122 122 120 121 119 118 121
125 139 150 121 122 120 123 127 123 128 129 122 120 128 120

Aggregate, the data in groups of 3, and create a control charts of the process mean and variation. Use the charts to test the assumption that the production process is under control.

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**M.Com (F) – 07: COST ACCOUNTING AND CONTROL
(2016-17 Batch)**

ASSIGNMENT – I

**Answer all questions
Each question carries FIVE marks**

(Marks: 15)

1. (a) “Cost Accounting is a system of foresight and not a post-mortem examination, it turns losses into profits, speeds up activities and eliminates wastes” – Discuss.
(b) The classification of costs as controllable and non-controllable depends upon a point of reference. Explain.
2. Laxmi Construction Company with a paid up capital of Rs.50 lakhs undertook a contract to construct houses. The contract work commenced on 1-1-2017 and the contract Price was Rs.50 lakhs. Cash received on account of contract on 31-12-2017 was Rs.18 lakhs (90% of the work certified). Work completed but not certified was estimated at Rs.1,00,000. As on 31-12-2017 material at site was estimated at Rs.30,000 and machinery at site costing Rs.2,00,000 was returned to stores. Plant and machinery at site is to be depreciated at 5% Wages outstanding on 31-12-2017 was Rs.5,000.

Land and Buildings	15,00,000
Plant and Machinery at Cost (60% at site)	25,00,000
Motor Vehicles	8,00,000
Furniture	50,000
Office equipment	10,000
Materials sent to site	14,00,000
Fuel and power	1,25,000
Site expenses	3,000
Postage and telegrams	4,000
Office expenses	10,000
Rates and taxes	15,000
Cash at Bank	1,33,000

Wages 2,50,000

Prepare Contract Account to ascertain the profit from the contract and show the WIP in the Balance Sheet.

The profit and loss account of a company for the year ended 31st March, 2017 is as follows:

	Rs.		Rs.
To Materials	4,80,000	By Sales	9,60,000
To Wages	3,60,000	By Closing stock	1,80,000
To Direct expenses	2,40,000	By work-in-progress:	
		Direct expenses	12,000
		Materials	30,000
		Wages	18,000
			60,000
To Gross Profit	1,20,000		12,00,000
To Admn.expenses	60,000	By Gross Profit	
To Net profit	60,000		1,20,000
	1,20,000		
	-----		1,20,000

As per the cost records the direct expenses have been estimated at a cost of Rs.30 per kg. And administration expenses at Rs.15 per kg. The profit as per the costing records is Rs.1,10,400. During the year goods of 6,000 Kg. were manufactured and 4,800Kg. were sold.

Prepare a statement of costing profit and loss account and reconcile the profit with financial records.

ASSIGNMENT – II

Answer all questions
Each question carries FIVE marks

(Marks: 15)

1. A company is currently operating at 75% of its capacity. In the past two years, the level of operations were 55% and 65% respectively. Presently, the production is 75,000 units. The company is planning for 85% capacity level during 2016-17. The cost details are as follows:

	<u>55%</u>	<u>65%</u>	<u>75%</u>
	Rs.	Rs.	Rs.
Direct materials	11,00,000	13,00,000	15,00,000
Direct labour	5,50,000	6,50,000	7,50,000
Factory overheads	3,10,000	3,30,000	3,50,000
Selling overheads	3,20,000	3,60,000	4,00,000
Admn. Overheads		1,60,000	1,60,000
1,60,000			

	24,40,000	28,00,000	31,60,000

Profit is estimated at 20% on sales.

The following increases in costs are expected during the year

	<u>In%</u>
Direct materials	8
Direct labour	5
Variable factory overheads	5
Variable selling overheads	8
Fixed factory overheads	10
Fixed selling overheads	15
Administration overheads	10

Prepare flexible budget for the period 2016-17 at 95% level of capacity. Also ascertain profit and contribution.

2. A Company is producing currently 70,000 units with an installed capacity of 1,00,000 units of production. Maximum capacity cannot be utilised for want of market.

The cost per unit break-up of the product is shown below:

Per unit
Rs.

Direct Material	10.00
Direct Wages	7.00
Variable overhead	2.00
Fixed overhead in total	Rs.2,80,000.00
Selling price per unit	Rs.25.00

The company has received three extra offers from outsiders for different units as under:

- a) 1,000 units @ Rs.20/- per unit
- b) 2,000 units @ Rs.21/- per unit
- c) 3,000 units @ Rs.22/- per unit

You are required to advise the management on the acceptability of the offers by showing the calculations of the differential cost analysis.

3. In what way Cost Audit is different from Financial Audit? Discuss the salient features of Statutory Cost Audit in India.

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**M.Com (F) – 08: TAXATION
(2016-17 Batch)**

ASSIGNMENT – I

**Answer all questions
Each question carries FIVE marks**

(Marks: 15)

1. What are the exceptions to the Rule of Previous Year that Incomes earned in the Previous year are taxable in the Assessment Year.
2. Explain the rules regarding Residential Status of Individual and HUF.
3. What are the incomes of other persons included in the Assessee's Total Income

ASSIGNMENT – II

**Answer all the question
Each question carries FIVE marks**

Marks : 15

1. From the following information calculate the Taxable Income of a Firm with three partners X, Y and Z who share profits and losses in the ratio of 3:1: 1
 - a) X and Z are Active partners.
 - b) Y is a non working partner.
 - c) Remuneration paid to each partner Rs. 6,00,000 per annum.
 - d) Interest on Capital paid to each of the partner @ 22 % is Rs. 1,66,000.
 - e) Capital Loss debited to the P & L Account Rs. 60,000.
 - f) Rent Received Credited to the P & L Account Rs. 2,20,000
 - g) Net Profit disclosed by the P & L Account is Rs. 8,52,000.
2. Kamlesh and Sons is a Hindu Undivided Family of which Kamlesh is the Karta. The family consists of the Karta and his three sons Parvesh, Sarvesh and Nirvesh. The family and Co-parceners had the following incomes for the year. Calculate the Taxable income of the HUF.

- (a) Salary to Parvesh as the manager of a company- Rs. 2,40,000
- (b) Interest on Govt Securities in the name of Kamlesh (investment made out of his individual incomes) Rs. 25,000.
- (c) Interest on Govt Securities in the name of Parvesh (investment made out of Family funds) Rs. 15,000.
- (d) Rent received from House property Rs. 25,000 (House purchased in the name of Sarvesh out of Family funds)
- (e) municipal value of self-occupied house Rs. 12,00,000
- (f) Interest on loan taken to construct self-occupied house Rs. 20,000
- (g) profits from family business Rs. 4,40,000 (after charging salary to Kamlesh Rs.80,000)
- (h) dividends on shares of a Foreign company Rs. 35,000.(Shares purchased by Nirvesh out of his own funds)
- (i) Dividends on shares of Indian Companies Rs.45,000(Shares purchased out of family funds)
- (j) During the year the family paid Donation to PM National Relief Fund Rs.20,000

3. What are the conditions to be satisfied for claiming Input Tax Credit.

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M.Com (F) – 09: FINANCIAL MARKETS & SERVICES
(2016-17 Batch)

ASSIGNMENT – I

Answer **all** the questions
Each question carries **FIVE** marks

Marks : 15

1. Define financial system. Explain the structure and importance of Financial System to an economy.
2. a) Discuss the financial sector reforms and their impact on Indian banking sector.
b) Explain the recommendations of Narasimham Committee on banking sector.
3. a) Distinguish between Money Market and Capital Market.
b) Explain the functions of i) Money Market ii) Capital Market

ASSIGNMENT – II

Answer **all** the questions
Each question carries **FIVE** marks

Marks : 15

1. Explain the role of various instruments used in the regulation of Indian Money Market and discuss their effectiveness.
2. Discuss the role of financial services in the development of an economy.
3. Distinguish between fee-based and fund-based financial services. Critically comment on the performance of any two fee-based and fund-based services in India.

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**M.Com (F) – 10: HUMAN RESOURCE MANAGEMENT
(2016-17 Batch)**

ASSIGNMENT – I

**Answer all questions
Each question carries FIVE marks**

(Marks: 15)

1. Explain the nature and functions of Human Resource Management. Also discuss the contemporary issues in Human Resource Management.
2. What is Human Resource Planning? Explain the process and factors affecting Human Resource Planning.
3. a) Explain in details the sources of recruitment.
b) What are the steps involved in induction process? Who conduct induction and why?

ASSIGNMENT – II

**Answer all questions
Each question carries FIVE marks**

(Marks: 15)

4. Discuss the objectives of Performance Appraisal. And also explain the problems in Performance Appraisal System.
5. a) What is the need for training employees? Discuss the process and on-the-job methods of training.
b) What are the principles of job evaluation?
6. a) Brief discuss the methods available for wage payment.
b) Explain different approaches to understand industrial relations.