



Dr. B. R. AMBEDKAR OPEN UNIVERSITY
ROAD NO. 46, JUBILEE HILLS, HYDERABAD – 500 033

Dr. D. Rabindranath Solomon
Head, Dept. of Commerce

Phone No.040-23680449

Lr.No. 044 /BRAOU/FC/2022-23

Date: 11-05-2023

To
The Director
Learner Support Services
Dr. B. R. Ambedkar Open University
HYDERABAD

Sir,

(Through Proper Channel)

Sub: Post Graduate Diploma in Business Finance (PGDBF) for the
Academic Year 2022-23 & earlier Batch – Sending of Assignments – Reg.

I am herewith sending the Assignments for Post Graduate Diploma in Business Finance (PGDBF) for 2022-23 and earlier Batch, along with guidelines. Soft copy of the same has been sent to Unit III, Learner Support Services through mail. It is requested to take further necessary action in this regard.

Thanking you,

Yours sincerely,

Sd/-

(D. RABINDRANATH SOLOMON)



Dr. B. R. AMBEDKAR OPEN UNIVERSITY
ROAD NO. 46, JUBILEE HILLS, HYDERABAD – 500 033

Dear Student,

We are enclosing two assignments in each course, for all the courses of Post Graduate Diploma in Business Finance (PGDBF) for the Academic Year **2022-23 and earlier Batches**. Please note the following points while answering these assignments:

1. Assignments are compulsory for PGDBF Programme. They have a weightage of 30% in each course.
2. You have to submit both the assignments compulsorily. You will not be allowed to appear for the year-end examinations for any course, if you do not submit the specified number of assignments in time for that course.
3. Each assignment carries a maximum of 15 marks and you have to get a minimum of 40% of marks, i.e., 6 out of 15, to qualify in that assignment. If you fail to get the minimum marks in any assignment, you have to resubmit that particular assignment along with the relevant batch. Repetition of the same assignment will not be allowed.
4. The maximum marks for each course at the year-end examination are 70 and you have to get a minimum of 40% i.e., 28 out of 70.
5. Division will be awarded on the basis of the aggregate marks obtained in assignments as well as in the year-end examinations.
6. Dates of submission for the assignments are:

FIRST ASSIGNMENT: 30.06.2023

SECOND ASSIGNMENT: 10.08.2023

ASSIGNMENTS SUBMITTED AFTER THE DUE DATE WILL NOT BE ACCEPTED.

7. If, under unavoidable circumstances, you fail to submit the assignments within the stipulated time, your results will be declared only after the submission and evaluation of all the assignments.
8. If any student fails to submit all the assignments within the stipulated time, he/she has to answer the set of assignments that are sent to the batch in progress at that time.
9. You have to submit your assignments in the Study Centre to which you are attached.
10. The first page of your response sheet should be in the following format.

Enrolment No. :
Name of the Candidate :
Address :
Mobile No. :
Email.id :
Name of the Programme :
Course Code & Title :
Assignment No. :
Study Centre :
Date of Submission :
Signature :

11. Please go through the relevant course units thoroughly before you answer assignments.
12. If the assignment is of a problem model, you have to answer it in the proper format. You should give working notes also wherever necessary.
13. Before submitting the assignment, check it up carefully to make sure that you have attempted all the main points of the question.
14. You are required to use only foolscap size paper for your response. Allow some margin on the left in order to facilitate the evaluator to record his comments.
15. You have to answer the assignments in your own words.
16. Do not copy from the response sheets of other students. If copying is noticed, the assignments of all such students will be rejected.
17. Start each assignment on separate sheets of paper.
18. You can consult your counsellors and get clarification on your doubts, if any, while answering the assignments.
19. The assignments should be neatly hand written. **Typed or Computerized assignments will not be accepted.**
20. You have to prepare your responses in duplicate, submit the original at your study centre and file the second copy with you as a record.

21. You can collect back the evaluated assignments from your study centre, if you want.
22. In case you request for a change of study centre, you should submit your assignments only to the original study centre until the University effects the change of the study centre.
23. Further correspondence should be made to the following address:

**The Director (SSB)
Dr. B. R. Ambedkar Open University
Prof. G. Ram Reddy Marg,
Road No.46, Jubilee Hills,
Hyderabad – 500 033.**

Sd/-
HEAD
DEPARTMENT OF COMMERCE



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

POST GRADUATE DIPLOMA IN BUSINESS FINANCE (PGDBF)

COURSE 01: BUSINESS ENVIRONMENT
(2022-23 & Earlier 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)
 - b. Foreign Direct investment (FDI).
3. What are Multinational Corporations (MNCs)? Explain briefly the various ways in which they operate in their Country of operation..

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DEPARTMENT OF COMMERCE

POST GRADUATE DIPLOMA IN BUSINESS FINANCE (PGDBF)

COURSE - 02: ACCOUNTING FOR MANAGEMENT
(2022-23 & Earlier BATCH)

ASSIGNMENT – I

(MARKS: 15)

ANSWER ALL QUESTIONS

ALL QUESTIONS CARRY EQUAL MARKS

1. Define the term 'Financial Accounting' in your own words. Write succinctly the scope and importance of accounting in the contemporary business environment.
2. The below given items and their balances, along with few others, appeared in the trial balance of M/s. A V Rao & Sons., pertaining to the accounts for the financial year ending 31st March, 2022:

Advertising A/c.	Rs. 83,000
Rent Paid A/c.	Rs. 70,000
Salaries Paid A/c.	Rs. 1,98,000
Wages A/c.	Rs. 1,07,000

It was found, further, that the following adjustments were not made in the books:

1. Advertising expenses not recorded in the books Rs. 7,000.
2. Rent due but not paid Rs. 12,000.
3. Salaries were paid in advance to the extent of Rs. 30,000.
4. Wages were unpaid to the extent of Rs. 3,000

You are required to pass necessary journal entries to adjust the above items. Also show how those items would have appeared in trading and profit and loss accounts (partial) and balance sheet (partial) of the firm as on 31st March, 2022.

3. Balance Sheets of M/s. Govind Lal Trading Company Pvt. Ltd., as on 31st March, 2021 and 31st March, 2022 were as follows:

BALANCE SHEETS

Liabilities	31 March 2021 Rs.	31 March 2022 Rs.	Assets	31 March 2021 Rs.	31 March 2022 Rs.
Capital	2,50,000	3,06,000	Premises	70,000	1,20,000
Bank Loan	80,000	1,00,000	Land	80,000	1,00,000
Mr. Shyam's Loan	50,000	--	Machinery	1,60,000	1,10,000

Sundry Creditors	80,000	88,000	Inventory	70,000	50,000
			Sundry Debtors	60,000	1,00,000
			Cash & Bank	20,000	14,000
Total	4,60,000	4,94,000	Total	4,60,000	4,94,000

During the financial year machine costing Rs. 20,000 (accumulated depreciation Rs. 6,000) was sold for Rs. 10,000. The provision for depreciation against machinery as on 31st March, 2021 was Rs. 50,000 and on 31st March, 2022 Rs. 80,000. Net profit for the financial year 2021-22 amounted to Rs. 90,000. From the above information, you are required to prepare the Funds Flow Statement of the company as it would appear on 31st March, 2022.

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ASSIGNMENT – II

(MARKS: 15)

ANSWER ALL QUESTIONS

ALL QUESTIONS CARRY EQUAL MARKS

- The given below are the three product lines and their production cost per unit along with their selling price per unit: *(Figures in Rs.)*

Particulars	P	Q	R
Materials	36	52	60
Wages	14	18	20
Variable Oncosts	4	6	6
Fixed Oncosts	10	16	18
Total Cost	64	92	104
Selling Price	80	120	122
Production <i>(Figures in Units)</i>	6,000	3,000	7,500

The production manager wants to discontinue one of the product lines and guarantees that production of other two lines shall rise to 150%. He wants to discontinue the product line 'P' as it is the least profitable line among the three lines.

You, a Management Accountant, are asked to comment on the agreeability of the scheme suggested by the production manager, substantiating the same with your detailed workings.

- M/s. Shree Ram Pvt. Ltd. Started its business on 1st April, 2021, with an initial investment of Rs. 28,00,000, which comprised of Rs. 24,00,000 as capital by the equity shareholders of the company and Rs. 4,00,000 as loan from bank @ 10% interest.

On the same day, the company purchased a machine costing Rs. 20,00,000 and goods worth Rs. 8,00,000. It was decided to depreciate the machine @10% p.a. On the 30th September, 2021, half of the goods were sold for Rs. 12,00,000.

The movements in the price index numbers (*illustrative only*) during the year were as under:

Index	01.04.2021	30.09.2021	31.03.2022
Index of General Prices	100	120	132
Index of Specific Prices	100	160	180

Assuming that the movements in the prices of goods and machine were similar, prepare an Income Statement and a Balance sheet of the company according to the following methods (*a columnar format can be used*):

1. Historical Cost Accounting,
2. Current Cost (Replacement Cost) Accounting, and
3. General Purchasing Power Accounting.

Ignore Corporate Income-tax.

3. A. What do you understand by Human Resource Accounting? Explain lucidly.
B. Clearly bring out differences between a Profit and Loss Account and a Value Added Statement.

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DEPARTMENT OF COMMERCE

POST GRADUATE DIPLOMA IN BUSINESS FINANCE (PGDBF)

COURSE – 03: FINANCIAL MANAGEMENT
(2022-23 & Earlier BATCH)

ASSIGNMENT – I

(MARKS: 15)

ANSWER ALL QUESTIONS

ALL QUESTIONS CARRY EQUAL MARKS

- A.** “The investment decision relates to the selection of long term and short term assets in which funds will be invested by a firm.” Elucidate the statement.

B. Mr. Raj N. needs a sum of Rs. 2,00,000/- at the end of two years from now, for which he wants to deposit some amount in the State Bank of India as a Fixed Deposit, which earns a quarterly compounding interest @ 6.5% p.a. You are required to show him the figure of amount to be deposited now, with the required working in arriving at the same.
- Calculate the internal rate of return (IRR) for the below given two independent projects:

Project EXE	
Initial Outlay	Rs.2,00,000
Duration of the Project	Five (4) Years
Estimated Annual Cash Inflow for 4 Years	Rs.62,500
Project ZED	
Initial Investment	Rs.2,00,000
Duration of the Project	Four (4) Years
Estimated Annual Cash Inflow:	
Year 1	Rs.50,000
Year 2	Rs.75,000
Year 3	Rs.75,000
Year 4	Rs.50,000

- The finance manager of M/s. ZEST Ltd has formulated two financial plans to finance Rs.80,00,000 required to implement few new projects:
 - Either equity capital of Rs.80,00,000 or Rs.40,00,000 12% debentures and Rs.40,00,000 equity; and
 - Either equity capital of Rs. 80,00,000 or 14% preference shares of Rs.30,00,000 and Rs.50,00,000 equity.You are required to determine the indifference point for each financial plan, assuming 30% corporate income tax rate and the face value of debentures, preference shares and equity shares as Rs. 1000, Rs.500 and Rs.100 respectively.



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COURSE – 04: FINANCIAL INSTITUTIONS AND MARKETS
(2022-23 & Earlier BATCH)

ASSIGNMENT – I

(MARKS: 15)

ANSWER ALL QUESTIONS

ALL QUESTIONS CARRY EQUAL MARKS

1. A. What do you understand by the term 'Finance'? Write a brief note on Financial System in general.
B. Write a page or two about any one investing institution you studied as part of this course.
2. A. Explain the various functions of commercial banks in India.
B. Discuss any three predominant ways of short term finance universally available to industrial units from commercial banks.
3. Explain in brief about any *TWO* of the following:
 - a) Types of Leasing,
 - b) Types of Factoring, and
 - c) Rationale of Development Banks.

ASSIGNMENT – II

(MARKS: 15)

ANSWER ALL QUESTIONS

ALL QUESTIONS CARRY EQUAL MARKS

1. Enumerate the promotional role of Indian Development Banks in general.
2. "Mutual funds in India are regulated by the Government of India through SEBI and RBI". List out the various essential stipulations that exist in this context.
3. What are financial markets? Give the classification of financial markets and explain them in a paragraph each.



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POST GRADUATE DIPLOMA IN BUSINESS FINANCE (PGDBF)
COURSE: 05 - FINANCIAL SERVICES
(2022-23 & Earlier BATCH)

ASSIGNMENT – I **(Marks : 15)**
ANSWER ALL QUESTIONS
ALL QUESTIONS CARRY EQUAL MARKS

1. What are Non-Banking Financial Companies? Explain their classification
2. What is the role of Merchant Bankers in the dynamics of Financial Services and what are the challenges ahead.
3. What is the Marketing Strategy for Financial Services.

ASSIGNMENT – II **(Marks : 15)**
ANSWER ALL QUESTIONS
ALL QUESTIONS CARRY EQUAL MARKS

1. Explain the concept of Lease Financing.
2. Explain the Credit Rating Methodology adopted by a credit rating agency.
3. What is Factoring and how does it work.



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POST GRADUATE DIPLOMA IN BUSINESS FINANCE (PGDBF)

COURSE – 06: SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT
(2022-23 & Earlier BATCH)

ASSIGNMENT – I

(MARKS: 15)

ANSWER ALL QUESTIONS

ALL QUESTIONS CARRY EQUAL MARKS

1. What do you understand by: a) financial intermediaries, b) interest rate risk, and c) yield-to-maturity (YTM)?
2. A. Write briefly about the principal weaknesses of the Indian stock market.
B. Write any five major functions of SEBI.
3. Write short notes on any *TWO* of the following:
 - a) Fundamental Analysis,
 - b) Estimation of Future Price, and
 - c) Dow Theory and its Basic Tenets.

ASSIGNMENT – II

(MARKS: 15)

ANSWER ALL QUESTIONS

ALL QUESTIONS CARRY EQUAL MARKS

1. Write briefly about any *TWO* of the following:
 - a) Forms of Market Efficiency,
 - b) Basic Steps of Portfolio Selection Process, and
 - c) Limitations of Markowitz's Approach.
2. A. Write a note on portfolio revision strategies.
B. Explain the concept of Mutual Fund. How is investing in various schemes of Mutual Funds is superior to other types of Investments?
3. A. A 10% ` 1,000 Debenture has 21 years remaining to maturity. You are required to determine the present Intrinsic Value of the security, for the given market yield of 12.5% p.a. Assume that the company pays interest semi-annually.

B. Mr. Niveshak is a first time investor and wants to build a portfolio using only Bharat Treasury bills and an index fund that closely tracks the NIFTY 50 Index. The Treasury bills have a return of 6%. The NIFTY 50 has a standard deviation of 24% and an expected return of 18%.

You are asked to help Mr. Niveshak in:

- i) drawing the Capital Market Line (CML) and marking the points where the investment in the market is 0%, 25%, 75%, and 100%; and
- ii) determining the exact risk and return at each of the above points.

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