

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

**PROGRAM: MASTER OF COMMERCE (M.Com.) – I YEAR**

**COURSE - 01: ORGANIZATION THEORY AND BEHAVIOUR**

**(2023-24 Earlier Batches)**

**ASSIGNMENT – I**

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

**Marks : 15**

1. (a) Define “Organization” and explain the typology of organizations.  
(b) Discuss Hawthorne experiments and analyse their implications for organisations.  
(c) “Organizations are open systems”. Discuss.
2. (a) What is Organizational Behaviour (OB)? Explain the different approaches to the study of OB.  
(b) Describe the various models of Organizational Behaviour.
3. Discuss similarities and dissimilarities among the four models of organizational behaviour.

**ASSIGNMENT – II**

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

**Marks : 15**

1. (a) Explain : (i) Vision (ii) Mission (iii) Goals (iv) Objectives (v) Goal Congruence (vi) Goal Conflict.  
(b) Discuss the Models of Man.  
(c) Define learning and explain how individual learning differs from organisational learning.
2. (a) Define a group and describe the stages of group formation.  
(b) Explain the factors that influence group cohesiveness.  
(c) State the techniques of group decision making.
3. (a) Explain the causes of conflict and suggest strategies for resolution of the same.  
(b) What are barriers to effective communication? How can they be overcome?  
(c) Explain the theories of motivation.

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**COURSE – 02: ACCOUNTING FOR MANAGEMENT**

**(2023-24 Earlier Batches)**

**ASSIGNMENT – I**

**(Marks : 15)**

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

1. Describe fully the limitations of Financial Accounting and point out how management accounting helps in overcoming them.
2. From the following information relating to western Ltd., you are required to prepare its summarized Balance Sheet.

|                                          |             |
|------------------------------------------|-------------|
| a) Current Ratio                         | 2.5         |
| b) Acid Test Ratio                       | 1.5         |
| c) Gross Profit / Sales Ratio            | 0.2         |
| d) Net Working Capital / Net Worth Ratio | 0.3         |
| e) Sales / Net Fixed Assets Ratio        | 2.0         |
| f) Sales / Net Worth Ratio               | 1.5         |
| g) Sales / Debtors Ratio                 | 6.0         |
| h) Reserves / Capital Ratio              | 1.0         |
| i) Net Worth / Long Term Loan Ratio      | 20.0        |
| j) Stock Velocity                        | 2 months    |
| k) Paid up Share Capital                 | Rs.10 Lakhs |
3. The summarised Balance Sheets of XYZ Ltd., as at 31-03-2013 and 2014 are given below:

| <b>Liabilities</b> | <b>2013<br/>Rs.</b> | <b>2014<br/>Rs.</b> | <b>Assets</b> | <b>2013<br/>Rs.</b> | <b>2014<br/>Rs.</b> |
|--------------------|---------------------|---------------------|---------------|---------------------|---------------------|
| Share Capital      | 4,50,000            | 4,50,000            | Fixed Assets  | 4,00,000            | 3,20,000            |
| General Reserve    | 3,00,000            | 3,10,000            | Investments   | 50,000              | 60,000              |
| P & L A/c          | 56,000              | 68,000              | Stock         | 2,40,000            | 2,10,000            |
| Creditors          | 1,68,000            | 1,34,000            | Debtors       | 2,10,000            | 4,55,000            |
| Provision for Tax  | 75,000              | 10,000              | Bank          | 1,49,000            | 1,97,000            |
| Mortgage Loan      | 0                   | 2,70,000            | ---           | 0                   | 0                   |
|                    | <b>10,49,000</b>    | <b>12,42,000</b>    |               | <b>10,49,000</b>    | <b>12,42,000</b>    |

Additional Information:

- a) Investments Costing Rs.8,000 were sold during the year 2014 for Rs.8,500;
- b) Provision for tax made during the year was Rs.9,000;
- c) During the year, part of the fixed assets costing Rs.10,000 was sold for Rs.12,000 and the profit was included in P & L Account; and
- d) Dividend paid during the year amounted to Rs.40,000

You are required to prepare Funds Flow Statement and also Cash Flow Statement as per AS-3

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**ASSIGNMENT – II**

**(Marks : 15)**

Answer **all** the questions

Each question carries **five** marks

- 1.(a) Kamal Company Ltd., manufactures and sells four types of products under the brand names of P, Q, R and S. The sales mix in value comprises 33 1/3%, 41 2/3%, 16 2/3% and 8 1/3 % of products P, Q, R & S respectively. The total budgeted sales (100%) are Rs.6,00,000 per month.

|                 |           |   |                      |
|-----------------|-----------|---|----------------------|
| Variable Costs: | Product P | - | 60% of Selling Price |
|                 | Q         | - | 68% of Selling Price |
|                 | R         | - | 80% of Selling Price |
|                 | S         | - | 40% of Selling Price |

Fixed Costs are Rs.1,47,000 per month.

Calculate the Break even point for the Products.

- (b) A Company manufactures and sells a single product 'X' whose selling price is Rs.40 per unit and the variable cost is Rs.16 per unit.
- i) If the fixed cost for the year are Rs.4,80,000 and annual sales are at 60% of margin of safety calculate the rate of net return on sales, assuming income tax of 40%.
  - ii) For the next year, It is proposed to add another product line 'Y' whose selling price would be Rs.50 per unit and the variable cost Rs.10 per unit. The total fixed costs are estimated at Rs.6,60,000. The sales mix of X and Y would be 7:3. At what level of sales next year, would the Company break even? Give separately for both X and Y, the break-even sales in rupees and quantities.

2. In the context of inflation accounting system, adjust the following P & L a/c and balance sheet under the CPP method to ascertain the changes in net profit and reserve

P & L A/c for the year ended 31<sup>st</sup> December, 2024 (Rs.000).

|                             |       |       |
|-----------------------------|-------|-------|
| Sales                       |       | 500   |
| Opening Stock               | 80    |       |
| Purchases                   | 420   |       |
|                             | ----- |       |
|                             | 500   |       |
| (-) Closing Stock           | 70    | 430   |
|                             | ----- | ----- |
| Gross Profit                |       | 70    |
| Depreciation<br>(Buildings) | 5     |       |
| Administration              | 25    | 30    |
|                             | ----- | ----- |
| Net Profit                  |       | 40    |
|                             |       | ----- |

Balance Sheet as on 31-12-2024

|                       |       |       |
|-----------------------|-------|-------|
| Share Capital         |       | 200   |
| Reserve               |       | 200   |
|                       |       | ----- |
|                       |       | 400   |
|                       |       | ----- |
| Land and<br>Buildings | 200   | 140   |
| (-) Depreciation      | 45    | 155   |
|                       | ----- | ----- |
| Stock                 | 70    |       |
| Debtors               | 40    |       |
| Cash                  | 30    |       |
|                       | ----- |       |
|                       | 140   |       |
| (-) Creditors         | 35    | 105   |
|                       | ----- | ----- |
|                       |       | 400   |
|                       |       | ----- |

The following data are given:

1. Closing stock was acquired during the last quarter of 2024 and the opening stock during the last quarter of 2023.
2. The land and buildings were acquired and the capital issued during the year 2016. The buildings are depreciated on straight line method over 40 years.
3. The relevant retail price indices are:
  - a) 2016 average: 60
  - b) 2023 last quarter average: 108
  - c) 2023 December 31: 110
  - d) 2024 last quarter average: 116
  - e) 2024 average: 114
  - f) 2024 December 31: 118
4. Sales, purchases and administration expenses are assumed to occur evenly over the year and hence at average prices.
3. What do you mean by HRA? Discuss the present value of Future Earnings Method of HRA with the help of an example.

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**COURSE - 03: FINANCIAL MANAGEMENT**

**(2023-24 Earlier Batches)**

**ASSIGNMENT – I**

Answer **all** the questions

Each question carries **FIVE** marks

**Marks : 15**

1. (a) Discuss the objectives and functions of financial management with suitable examples.  
  
(b) What is meant by agency problem? Explain the role of finance manager in an MNC.
2. (a) You want to take a world tour which costs Rs.10, 00,000 – the cost is expected to remain unchanged in nominal terms. You are willing to save annually Rs.80, 000 to fulfil your desire. How long will you have to wait if your savings earn a return of 14 per cent per annum?  
  
(b) What is the present value of Rs.10, 00,000 receivable 60 years from now, if the discount rate is 10 percent?
3. (a) Raymond's Ltd., planning to go for capacity expansion in the near future and their financial experts submitted the following financial details regarding two projects. You, as a new finance manager, evaluate the projects by using Pay Back Period and Internal Rate of Return and suggest which one is to be accepted with clear reasons.

| <b>Cash<br/>Flows</b> | <b>Project 1<br/>Rs. in lakhs</b> | <b>Project 2<br/>Rs. in lakhs</b> |
|-----------------------|-----------------------------------|-----------------------------------|
| 0                     | 10,00,000                         | 10,00,000                         |
| 1                     | 3,00,000                          | 2,00,000                          |
| 2                     | 2,00,000                          | 5,00,000                          |
| 3                     | 1,50,000                          | 4,00,000                          |
| 4                     | 4,00,000                          | 1,00,000                          |
| 5                     | 5,00,000                          | 50,000                            |
| 6                     | 50,000                            | 75,000                            |

(b) A firm has two mutually exclusive proposals, A and B, under consideration requiring an initial outlay of Rs.1,000 each. Both the projects have a life of seven years with the following cash flows.

| <b>CASH FLOWS in Rs.</b> |                    |                   |
|--------------------------|--------------------|-------------------|
| <b>Year</b>              | <b>Project 'A'</b> | <b>Project'B'</b> |
| 0                        | -1000              | -1000             |
| 1                        | 50                 | 500               |
| 2                        | 100                | 350               |
| 3                        | 250                | 250               |
| 4                        | 300                | 60                |
| 5                        | 400                | 100               |
| 6                        | 450                | 100               |
| 7                        | 500                | 150               |

Find out the NPVs of both the projects at discount rates 10%, 12%, 14% and 16%. Plot the NPVs of the project with different discount rates.

## **ASSIGNMENT – II**

Answer **all** the questions

Each question carries **FIVE** marks

**Marks : 15**

1. (a) What are the key differences between debt and equity? Explain the rights and position of equity shareholders.  
  
 (b) Explain the concepts Cost of Capital and Capital Structure. Discuss the relationship between the two concepts with suitable examples.
2. (a) Beta Limited and Theta Limited operates in the same line of business of manufacture of rubber components. However, their cost structures and financing structures differ substantially. An analysis of their financial performance has revealed the following data:

| <b>Particulars</b>     | <b>Beta Ltd., ( Rs.in lakhs)</b> | <b>Theta Ltd., ( Rs.in lakhs)</b> |
|------------------------|----------------------------------|-----------------------------------|
| Sales                  | 750                              | 1100                              |
| Variable Cost          | 300                              | 500                               |
| Fixed Cost             | 250                              | 200                               |
| Operating Profit, EBIT | 200                              | 400                               |
| Interest               | 75                               | 80                                |
| Profit Before Tax      | 125                              | 320                               |

(1) Find out DOL and DFL for both.

(2) What is your interpretation of DOL and DFL for both firms?

(b) Explain the objectives of Receivables, Cash and Inventory Management with suitable examples.

3. Prepare Working Capital Forecast from the following information:

Production level during the previous year was 10, 00,000 units. During the current year the firm is likely to maintain, its level of production at the previous year's level.

The expected ratios of costs to selling price for the firm are as follows:

Raw Material - 40 %

Direct Wages - 20 %

Overheads - 20 %

The past date of the firm tells that raw material normally remains in stores for a period of 3 months before production. Every unit of production remains in process for 2 months and is assumed to be constituting of 100 % of raw materials, wages and overheads.

Finished goods remain in the warehouse of the firm for 3 months. Credit allowed by creditors is 4 months from the date of delivery of raw materials and credit given to customers is 3 months from the date of dispatch.

The firm on an average maintains a cash balance of Rs.1, 50,000. Wages and other expenses are paid by the firm with a lag of 15 days. The selling price of the firm's products is Rs.10 per unit. The firm also maintains a contingency provision of 10% in addition to the regular cash balance.

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**COURSE - 04: MARKETING MANAGEMENT**

**(2023-24 Earlier Batches)**

**ASSIGNMENT – I**

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

**Marks : 15**

1. a) What do you understand by marketing? Explain its evolution and approaches to understand marketing.  
b) Discuss the role of marketing in economy development. Explain the relevance of marketing in different sectors.
2. a) Define the concept of services marketing. Discuss the characteristics and factors influencing the growth of services sector in India.  
b) Explain the various forms of marketing organizations and their relative advantages and disadvantages with suitable example.
3. a) Define the term 'market segmentation'. Explain the bases and benefits of market segmentation in case of electronic goods.  
b) What do you mean by consumer behavior? Discuss the various factors influencing consumer behavior in case of readymade garments.

**ASSIGNMENT – II**

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

**Marks : 15**

4. a) What is product life cycle? Describe the stages in PLC with relative strategies.  
b) Explain the concept of branding and discuss various branding decisions which overcome the competition in the market.
5. a) What are factors influencing pricing decisions? Discuss various methods of pricing with their relative merits and demerits.  
b) Explain the significance of marketing channels and also state the role of modern technology in promotion.
6. a) Define the term 'advertising'. Explain the importance of advertising media and point out their relative role in promoting industrial products of your choice.  
b) Explain the steps involved in personal selling process. How publicity and public relations are different from personal selling?

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**COURSE - 05: BUSINESS ENVIRONMENT**

**(2023-24 Earlier Batches)**

**ASSIGNMENT – I**

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

**Marks : 15**

1. Write a brief note on the following:
  - (i) Why is social responsibility important for business?
  - (ii) What is Corporate Governance? Why is it assuming greater relevance in present days?
2. What is the difference between budgetary deficit and fiscal deficit?
3. Bring out the points for and against continued State intervention in business.

**ASSIGNMENT – II**

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

**Marks : 15**

1. Define Privatization. How do you differentiate between liberalization and privatization?
2. Is it possible to eliminate all middlemen in the channel of distribution on account of ONLINE business transactions? Discuss.
3. Analyze the implications of the recent policy initiatives undertaken by the Government of India to facilitate the enhancement of small industry competitiveness.

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