ANNAMALAI UNIVERSITY

DIRECTORATE OF DISTANCE EDUCATION

023 – M.COM (English Medium)

THIRD SEMESTER

Academic Year: 2022 - 2023

ASSIGNMENT TOPICS

This booklet contains assignment topics. Students are asked to write the assignments for *FOUR* papers as per instructions.

Last date for submission: **01.11.2022**

Last date for submission with late fee **300/-: 15.11.2022**

NOTE:

1. Assignments sent after **15.11.2022** will not be evaluated.

2. Assignments should be in the own handwriting of the student concerned and not type-written or printed or photocopied.

3. Assignments should be written on A4 paper on one side only.

4. All assignments (with Enrolment number marked on the Top right hand corner on all pages) should be put in an envelope with superscription "**M.Com Assignments**" and sent to **The Director, Directorate of Distance Education**, Annamalai University, Annamalainagar – 608 002 by **Registered post**.

5. No notice will be taken on assignments which are not properly filled in with *Enrolment Number* and the *Title* of the papers.

6. Students should send full set of assignments for all papers. Partial assignments will not be considered.

ASSIGNMENT INSTRUCTIONS

Write assignments on *FIVE* questions in each paper. For each question the answer should not exceed 4–pages. Each assignment carries 25 marks (5 questions). You are expected to write **ALL questions for every subject**.

Dr. R SINGARAVEL
DIRECTOR

(5 x 5 =25)

1. a). Distinction between financial accounting and management accounting.

   b). Explain the Techniques of financial statement analysis.

2. Prepare (a) a statement of changes in working capital and (b) a statement of sources and application of funds from the following data:

Balance Sheets

Liabilities	2020 Rs.	2021 Rs.	Assets	2020 Rs.	2021 Rs.
Equity capital	5,000	5,300	Cash	2,000	2,500
Long-term debt	1,400	1,300	Debtors	2,400	2,700
Profit & Loss a/ c	2,800	3,700	Stock	3,100	3,200
Provision for depreciation	2,100	2,500	Other current assets	800	700
Creditors	2,000	2,100	Fixed assets	5,000	5,800
	13,300	14,900		13,300	14,900

Additional information

(i) Fixed Assets Rs.1 ,200 were purchased for cash

(ii)Fixed Assets (Cost Rs 400-Depreciation Rs.150) were sold at book value.

(iii) Depreciation for 2021 Rs.550 was debited to P&L A/C.

3. The following are information relating to the productive activities of Kavi. Ltd., for three months ended 31 December, 2021.

	Rs.
Fixed Expenses	
Management Salaries	2,10,000
Rent and Taxes	1,40,000
Depreciation of Machinery	1,75,000
Sundry Office Expenses	2,22,500
	7,47,500
Semi-Variable Expenses at 50% capacity :	
Plant Maintenance	62,500
Indirect Labour	2,47,500
Salesmen's Salaries	72,500
Sundry Expenses	65,000
	4,47,500
Variable Expenses at 50% capacity	
Materials	6,00,000
Labour	6,40,000
Salesmen's Commission	95,000
Total	13,35,000

It is further noted that semi-variable expenses remain constant between 40% and 70% capacity, increase by 10% of the above figures between 70% and 85% capacity and increase by 15%

of the above figures between 85% and 100% capacity. Fixed expenses remain constant whatever the level of activity may be. Sales at 60% capacity are Rs. 25,50,000 at 80% capacity Rs. 34,00,000 and 100%capacity .Rs. 42,50,000.Assuming that all items produced are sold, prepare a flexible budget at 60%, 80% and 100% production capacity.

4. a). From the following data calculate:

a) P/V ratio; (b) Variable cost and (c) Profit.

Rs

Sales	80,000
Fixed expenses	15,000
Break even point	50,000

b). From the following data, calculate labour variances

Budgeted labours for completing Job X

8 skilled workers at Rs 10 per hours for 20 hours

2 unskilled workers at Rs 8 per hours for 20 hours

Actual labours for completing Job X

12 skilled workers at Rs 11 per hours for 20 hours

13 unskilled workers at Rs 7 per hours for 20 hours

5. Mummy Toys Ltd has budgeted the following sales for December 2021

Toy A 900 units at Rs 50 Per unit

Toy B 900 units at Rs 100 Per unit

Toy C 900 units at Rs 75 Per unit

As against this, the actual sales were:

Toy A 1,000 units at Rs 55 Per unit

Toy B 700 units at Rs 95 per unit

Toy C 1,100 units at Rs 78 per unit

The cost per unit of A,B and C was RS 45, Rs 85 and Rs 65 respectively.

Compute the different variances to explain the difference between the budgeted and actual profit.

023E2320-Dynamics of Banking

(5 X 5 = 25)

1. a). Discuss the different Phases in Evaluation of Indian Banking.
   b). Summarize the Legislative Regulations of Banking in India.
2. a). Explain the Financial Inclusion Schemes in India.
   b). State the documents to be submitted by a company at the time of opening   an account.
3. Enumerate the steps involved in the process of credit Appraisal.
4. Explain the advantages and disadvantages of Demonetisation.
5. a) Categorize the types of Cashless Payment methods.
   b) Indicate the Purpose of Know Your Customer.

(5 x 5 = 25)

1. The balance sheets of 'A' Ltd., and its subsidiary 'B' ltd., as on 31st March 2021 was as follows.

Liabilities	"A" Ltd.	"B" Ltd.	Assets	"A" Ltd.	"B" Ltd.
Share Capital (` 10 each)	20,000	12,000	Sundry assets 32,000 20,000	32000	20000
General reserve	8,000	---	Investment: 800 Shares in B-Ltd	8000	---
Profit &Loss A/C	8000	2600			
Creditors	4000	4400			
	40,000	20,000		40,000	20,000

The shares were purchased by "A" ltd., is "B" Ltd., on 30th September 2020 on 1st April 2020, the profit & Loss a/c of "B" ltd., showed a loss of `6,000. Profit are earned uniformly over the year 2020-21. Prepare the consolidated balance sheet of "A" ltd and "B" ltd as on 31st March 2021.

2. From the following particulars, prepare the profit and loss account of Chennai Bank Ltd, for the year ending 31st March 2021.

Rs.

Interest on deposits 32,00,000

Commission (Cr.) 1,00,000

Interest on loans 24,90,000

Sundry charges (Dr.) 1,00,000

Rent and taxes 2,00,000

Establishment 5,00,000

Discount on bills discounted 14,90,000

Interest on overdrafts 16,00,000

Interest on cash credits 23,20,000

Auditors' fees 35,000

Director's fees 16,000

Bad debts to be written off 3,00,00

3. The following balances are extracted from the books of oriental general insurance company. Prepare revenue a/c of fire and marine business for the year ending 31.3.2020

Rs.

Funds on 1.4.2019 :   Fire 3,10,000 :

                               Marine 8,40,000

Premiums :   Fire 5,56,400 :

                               Marine 8,82,200

Due to reinsurers :   Fire 4,400

                                        Marine 20,200

Claims paid and outstanding: Fire 2,61,500

                                        Marine 1,02,000

Commission :   Fire 21,000 :

                                         Marine 54,000

Expenses of management : Fire 42,000

                                        Marine 73,000

It was further noticed that premiums were outstanding. Fire Rs. 1,400 and Marine Rs. 1,600. Provision is to be made for unexpired risk on fire and marine at 40% and 100% of the premium received respectively.

4. a) What are the merits of double account system?

b) How is human resource valued under 'Historical cost method'?

5. Explain the steps in finalizing accounts under CPP method of Inflation Accounting.

023E2340- Securities Analysis and Portfolio Management.

(5 X 5 = 25)

1. What are the objectives of investment? Explain the classification of risk.
2. Explain the Random Walk approaches of security analysis.
3. What are the various issues in portfolio construction? Explain the Effects of combining securities.
4. Explain sharp index model in evaluating portfolio.
5. a. What is capital market line?
   b. Write short note on –Market Timing
   c. What do you understand the portfolio performance analysis?

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