

DR. B. R. AMBEDKAR OPEN UNIVERSITY

**DEPARTMENT OF BUSINESS MANAGEMENT
MASTER OF BUSINESS ADMINISTRATION PROGRAMME**

**MBA – 1: ORGANISATION AND MANAGEMENT PROCESS
(2014-15 BATCH)**

ASSIGNMENT – I

(MARKS: 15)

ANSWER ALL QUESTIONS

ALL QUESTIONS CARRY EQUAL MARKS

1. “The contemporary managerial roles have widened, became more complicated, active and creative. Managers, who are to administrate enterprises in a pertinent way, must be up to the professional standards, fulfill more and more functions and play on many ‘stages’ ” - Elucidate the statement in the present day context.
2. “MBO is a base to bring organizational changes effectively” – Comment on the statement. Also explain the process, advantages and disadvantages of MBO.
3. What is the relationship between organization culture and other key organizational concepts: Structure, Leadership, Change, and Innovation? Explain in detail.

ASSIGNMENT – II

(Marks: 15)

ANSWER ALL QUESTIONS

ALL QUESTIONS CARRY EQUAL MARKS

1. Discuss briefly the various issues involved in structuring an organization. Choose any organization of your choice, analyze its organization structure and comment on it.
2. What are the factors what induce and sustain group cohesiveness? What are the effects of group cohesiveness on group members and the organization? Discuss in detail.
3. Analyze the case given below and answer the questions following it:

Mr. Soni had recently joined as the Managing Director of a car manufacturing company which at present is incurring heavy losses. Mr. Soni has been entrusted with the formidable task of rejuvenating the company. He faces many challenges to achieve this task, such as controlling costs and expenses, increasing the productivity and boosting the morale of the employees so that they unhesitatingly cooperate to achieve the set standards of output.

Mr. Soni, in his previous company, also a car manufacturing company, as the Deputy Managing Director, have proved to be a proficient manager and a talented leader who had successfully inspired his employees to increase productivity. He was commended for this maximum concern for both the workers and production and also for bringing an integration and harmony between the needs of employees and of their production.

In the new company also, Mr. Soni continued his policies of participative management and his high concern for production and people. To revive the company back to health, he effected some major changes.

First of all, he decentralized the organization so that subordinates could exercise their discretion and initiate in decision-making and their imagination and creativity in performing other managerial functions. Furthermore, he empowered junior managers to sanction expenditure up to an approved limit without seeking prior approval of higher management. The communication system was also improved to facilitate free flow of upward and downward communication.

Mr. Soni also adopted several measures to cut costs and wasteful expenditure. He banned donations to charitable institutions but increased the amount being spent on the welfare activities of employees.

Will Mr. Soni's leadership style prove effective in ensuring a bright future of the company? Some employees are of the view that things are being done but they might not be effective in the long run. Others disagreed with them and said: "O.K. we'll give it a try".

Questions:

1. Is Mr. Soni a Theory X or a Theory Y Manager? Give reasons for your answer.
2. Will you advise Mr. Soni to change his presumptions about the nature of the people at work? Give reasons.
3. In terms of the 'Management Grid' developed by Blake and Mouton, how would you describe Mr. Soni's leadership style? Is it the best style in the managerial grid? Give reasons.

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MBA – 2: MANAGERIAL ECONOMICS
(2014-15 BATCH)

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

1. A. Discuss briefly the following three fundamental concepts of managerial economics:
a) Welfare, b) Pricing, and c) Distribution.

B. How does the study of managerial economics help a manager in decision making and forward planning?
2. a) What is law of demand? List out its exceptions. What is 'Veblen Effect'?

b) Explain lucidly as to why a demand curve slopes downwards.
3. What are Isoquants? What are their properties? What are the differences between Isoquant Curve and Indifference Curve?

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

1. Explain the profit-maximizing price-volume relationship of a monopolistic (Imperfect competition) firm in the short-run.
2. "In theory, we assume perfect competition and profit maximization, in reality, we find neither" – Comment.
3. a) M/s. Brahma Techno (I) Pvt. Ltd. Develops customized software and general utility software viz., 'BTL'. The company normally generates 3,000 units of 'BTL' per month at a total cost of Rs. 27,50,000. However, it can support at full capacity the clientele of 3,500 units per month at a total cost of Rs. 30,00,000.
Calculate:
 - i. Average cost per unit of 'BTL' under normal working conditions;
 - ii. Average variable cost per unit;
 - iii. Total fixed cost; and
 - iv. Average fixed cost per unit under normal working conditions.
- b) A small company from Andaman and Nicobar Islands offers to purchase 500 units per month at a price of Rs. 750 per unit of 'BTL' under a brand name of 'ANTIL'.
 - i. Would you advice that the offer be accepted?
 - ii. What minimum price should M/s. Brahma Techno (I) Pvt. Ltd. quote under this situation?

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MBA – 3: MARKETING MANAGEMENT
(2014-15 BATCH)

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

1. “The Marketing activities have to change in consonance with environment to be continuously effective”. Elucidate the statement with latest examples.
2. What is Target Marketing? What are the factors considered while evaluating Market Segments? Explain the following Market Coverage Strategies:
 - (i) Undifferentiated Marketing
 - (ii) Differentiated Marketing and
 - (iii) Concentrated Marketing
3. Discuss the determinants of consumer behavior. Also develop a decision-making matrix for purchase of paid by a middle class urban consumer.

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

1. What is Diversification? Explain briefly the different types of diversification. A leading consumer company wishes to diversify into food products and has identified potato, corn and cheese snack foods for urban markets. None of these products are new to these markets, yet the newness in the proposed products is the state-of-the-art technology which will ensure consistent quality of the finished product. The major competition to this firm are unorganized small firms and major transnational giants like Pepsi Foods. Assume that you are the product manager of this firm. Evolve a marketing strategy for a successful launch of the snack foods line.
2. What is pricing? Explain its importance. List out the factors affecting pricing decision. Explain the various product mix pricing strategies.
3. Analyze the case given below and answer the questions following it.

Ajanta Biscuits, Bengaluru, are in the field for little over six years. During this time, they have consistently increased their sales. This was possible mainly due to good quality of biscuits, a good distribution network and promotion policy. The company has shown innovative ability by bringing out variety of biscuits to cater to various tastes in the consumer market.

A study made on the biscuit industry by the Indian Biscuit Manufacturers Association highlighted that out of the total consumption of biscuits, almost 21% are consumed by children below the age of 11. The management of company decided to develop special biscuits to cater to this market

segment. After working out different possibilities, it was finally decided that biscuits made in different animal shapes would be introduced which would certainly appeal to the younger generation. As such, samples were prepared. The company carried out a small exercise in test marketing the biscuits in their home town. A sample size of 200 was selected for this purpose. Majority of the sample consumers showed their interest and informed that the children have liked the products.

With a lot of publicity, the company introduced this new range of biscuits in all the four metropolitan cities and its home town. The results for first six months were encouraging. The results from the seventh month, the sales started declining. In the twelfth month the total sales of this type of biscuits were reported only at 25 per cent of the peak reached. The quality was maintained. The price right from the beginning was 10 per cent higher than the other types of same weight.

Questions:

1. What caused the downward trend of sales for animals shaped biscuits?
2. What remedial actions would you suggest to maintain the sales at a particular level?

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MBA – 4: QUANTITATIVE METHODS
(2014-15 BATCH)

ASSIGNMENT – I
ANSWER ALL QUESTIONS
ALL QUESTIONS CARRY EQUAL MARKS

(Marks: 15)

1. a) “Statistics is the science of averages” – Comment.
- b) A car was purchased for Rs.4,00,000. Depreciation is charged @ 6% p.a. for the first 4 years and 12% p.a. for the next 4 years.
Find the money value of the car after a period of 8 years, showing clearly your workings (Need not draw a Ledger Account).

2. a) Find the derivative of $\sqrt[3]{(4x+6)}$ from first principles.
- b) Differentiate w.r.t. ‘x’:

$$y = \frac{x^3 + 3x^2 - 4}{x}$$

3. a) Calculate Mode from the following data:

Daily Lottery Winning	100	200	300	400	500	600	700	800	900
No. of Winners	40	60	240	460	670	860	960	990	1000

- b) An Arts College has to select a Head Examiner from a select list of 75 persons, 45 of them are men and rest women, 15 of them know ‘Sanskrit’ and the rest of do not. 25 of them are teachers and the remaining 50 are not. What is the probability of the college selecting a Sanskrit-knowing Women Teacher?

ASSIGNMENT – II
ANSWER ALL QUESTIONS

(Marks: 15)

ALL QUESTIONS CARRY EQUAL MARKS

1. Three training methods were compared to see whether they lead to higher effectiveness post training. The effectiveness data for the six trainees is quantified and given below:

Method	Effectiveness Measured					
A	56	51	61	50	64	55
B	70	54	58	62	50	60
C	52	48	54	51	63	48

Do these methods differ in terms of effectiveness? Test and Comment on their effectiveness taking 5% (α) level of significance.

2. In a bakery, the average number of burgers sold is 20 per day. Due to starting a new college in the vicinity, the sales increased during first 27 days and these we found to be:

21	22	22	22	23	24	24	25	25
26	22	24	24	20	22	22	23	24
19	18	21	17	19	22	22	23	21

Discuss that the sales of burgers have increased.

3. From the data given below, find:
- The Karl Pearson's coefficient of correlation between the marks in Financial Management (FM) and Quantitative Methods (QM).
 - The two regression equations.
 - The covariance between the two subjects.
 - The most likely marks in QM when marks in FM are 42.

Marks in FM (X)	24	27	34	31	30	35	28	37	34	33
Marks in QM (Y)	42	45	48	40	35	31	30	29	33	40

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DR. B. R. AMBEDKAR OPEN UNIVERSITY

**MBA-5: ACCOUNTING FOR MANAGEMENT
(2014-15 BATCH)**

ASSIGNMENT – I

(Marks: 15)

ANSWER ALL QUESTIONS

ALL QUESTIONS CARRY EQUAL MARKS

1. Explain the usefulness of financial accounting to the management in decision making process and in the creation of policies. Also bring clearly the distinction between financial accounting and management accounting.
2. From the given data, you are required to prepare cash flow statement, as per Indian Accounting Standard-3 for the year ended 31st March, 2014 under (i) Direct Method and (ii) Indirect Method.

Income Statement

For the year ended 31st March, 2014

Particulars	Rs. (Lacs)	Rs. (Lacs)
<u>Income:</u>		
Sales		40,00
Add: Closing Stock	16,00	
Less: Opening Stock	12,00	4,00
Income from Shares in Z Ltd.		4,80
		<u>48,80</u>
<u>Expenditure:</u>		
<u>Raw Material Consumed:</u>		
Opening Stock	8,00	
Add: Purchases	20,00	
Less: Closing Stock	(6,00)	22,00
Wages and Salaries		10,00
Other Operating Expenses		8,00
Depreciation		2,00
		<u>42,00</u>
<u>Profit:</u>		
Profit Before Interest and Taxes (PBIT)		6,80
Interest		(3,20)
Profit Before Tax (PBT)		3,60
Provision for Taxation		(40)
Profit After Taxes (PAT)		3,20
Last year balance of Profit and Loss A/c		40
		<u>3,60</u>
<u>Appropriations:</u>		
Transfer to General Reserve		1,00
Proposed Equity Dividend		2,40
Balance carried to Balance Sheet		20
		<u>360</u>

BALANCE SHEET
AS ON MARCH, 2014

Rs. (in lacs.)

Liabilities	31 st March		Assets	31 st March	
	2014 Rs.	2013 Rs.		2014 Rs.	2013 Rs.
Share Capital	16,00	12,00	Fixed Assets (Gross)	32,00	24,00
General reserve	4,00	3,00	Less: Depreciation (Gr)	6,00	4,00
Profit & Loss A/c	20	40	Fixed Assets (Net)	26,00	20,00
Loans	24,00	16,00	Investments(Long Term)	4,80	3,20
Sundry Creditors	17,40	19,20	Investments(Marketing)	1,20	80
Provisionfor Taxes	40	60	Stock	22,00	20,00
Proposed dividend	2,40	1,80	Trade Debtors	8,00	6,00
			Cash & Bank Balance	2,00	2,40
			Advance Tax	40	60
Total	64,40	53,00	Total	64,40	53,00

3. From the following Trail Balance of M/s. Bharathi Enterprises as at 31st March, 2014, you are requested to prepare Trading & P&L Account for the year ended 31st March, 2014 and a Balance sheet as at that date, after making the necessary adjustments.

**TRAIL BALANCE
AS ON 31ST MARCH, 2014**

	Debit Rs.	Credit Rs.
Ms. Bharathi's Capital		8,00,000
Ms. Bharathi's Drawings	60,000	
Plant & Machinery (Balance on 01-04-2013)	2,00,000	
Plant & Machinery (Additions made on 01-10-2013)	50,000	
Stock (01-04-2013)	1,50,000	
Purchases	8,20,000	
Returns Inwards	20,000	
Debtors & Receivables	2,06,000	
Furniture & Fixtures	50,000	
Freight & Duty	20,000	
Carriage Outwards	5,000	
Rent, Rates & Taxes	46,000	
Printing & Stationery	800	
Trade Expenses	400	
Creditors & Payables		1,00,000
Sales		12,00,000
Return Outwards		10,000
Postage & Telegram	8,000	
Provision for Doubt Debts		4,000
Discounts		8,000

Annual Rent on Subletting (Received up to 30.09.2014)		12,000
Insurance paid	7,000	
Salaries and Wages	2,13,000	
Cash Balance	62,000	
Bank Balance	2,05,000	
Total	21,34,000	21,34,000

Adjustments:

- (i) Stock on 31st March, 2014 was Rs.1,46,000
- (ii) Write off Rs.6,000 as further bad-debts.
- (iii) The provision for doubtful debts is to be maintained at 5% on debtors and receivables.
- (iv) Create a provision for discount on debtors and reserve for discount as creditors at 2% each.
- (v) Provide depreciation on furniture and fixtures @ 5% per annum and on plant and machinery @ 20% p.a.
- (vi) Insurance prepaid was Rs.1000.
- (vii) A fire occurred on 25th March, 2014 in the warehouse and stock valued Rs.50,000 was destroyed. It was fully insured and the Insurance Company admitted the claim in full.

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

1. The given below transactions in respect of material 'Two' occurred during the half year ended March 31.

Month	Receipts (Kg)	Price per kg Rs.P. (Kg)	Issues
Oct. 31	220	5.00	250
Nov.30	250	4.00	220
Dec.31	240	5.20p	200
Jan. 31	220	4.60p	240
Feb. 28	260	5.00	210
Mar.31	200	4.55p	210

The opening stock on Oct.1 was 240 kg at Rs.4.80 p kg.

The closing stock on March 31 was 300 kg at Rs.4.70 p kg.

Do you consider the value of closing stock shown above to be justifiable one?

Give reasons and show the Stores Ledger under the same method applied.

2. Write the meanings and explore the distinctions of the terms:
 - a. Reserves and Provisions;
 - b. Capital Expenditure and Revenue Expenditure; and
 - c. Capital Reserve and Reserve Capital.

3. A company was registered with a nominal capital of Rs.30,00,000 in equity share of Rs.100 each, 10,000 of those were issued to the public at a premium of Rs.25 per share payable as to Rs.20 on application Rs.50 on allotment including premium. Rs.20 on first call and the balance on final call.

Applications were received for 14,000 shares and allotment was made pro-rata to the applicants of 12000 shares. Money overpaid on application was employed on allotment dues.

Praneeth holding 200 shares paid the whole of the amount due on first call along with allotment, but failed to pay the final call. Akbar holding 300 shares failed to pay two calls and Mosses holding 400 shares failed to pay the final call only.

These shares were forfeited after the final call. Of the shares forfeited 200 shares belonging to Mosses were sold to Surjeet as fully-paid at Rs.90 per share. Show the journal-entries (including cash) in the books of the company.

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**MBA – 6: INFORMATION MANAGEMENT AND COMPUTERS
(2014-15 BATCH)**

**ASSIGNMENT – I
ANSWER ALL QUESTIONS
ALL QUESTIONS CARRY EQUAL MARKS**

(Marks: 15)

1. Discuss the strategic issues involved in computer-aided decision-making. Also explain the advantages and limitations of handling of computerization.
2. Explain the specific role of computer based information system in:
 - a. Financial Management
 - b. Inventory Management
 - c. Human Resource Management

3. A poultry farm is breeding chicks and hen. The birds are fed on variety of products grown on the farm. With a desire to ensure certain nutrient constituent viz., M, N and O, it is found necessary to buy two extra product viz., 'Type P' & 'Type Q'. One unit of 'type P' contains 18 unit of M, 2 units of N and 10 units of 'O'. One unit of 'type Q' contains 3 units of M, 6 units of N and 5 units of O.

The minimum need of M, N, and O is 54 units, 18 units and 50 units respectively. 'Type P' costs Rs.2 per unit and 'Type Q' Rs.4 per unit. Formulate the above as a Linear Program Problem (LPP) to minimize the total cost and solve the problem by using Graphic Method.

**ASSIGNMENT – II
ANSWER ALL QUESTIONS
ALL QUESTIONS CARRY EQUAL MARKS**

(Marks : 15)

1. a) Use Vogel's Approximation Method (VAM) and obtain an initial basic feasible solution (IBFC) for the given transportation problem.

	<i>R1</i>	<i>R2</i>	<i>R3</i>	<i>R4</i>	<i>Supply</i>
<i>S1</i>	110	130	170	140	25
<i>S2</i>	160	180	140	100	30
<i>S3</i>	210	240	130	100	40
<i>Requirement</i>	20	22	28	25	

- b) A senior accountant has four juniors working under her as trainees, and four tasks to be executed. The juniors differ in efficiency and the tasks differ in their intrinsic difficulty.

Her estimate of the time in minutes each junior would take to perform each task, is tabulated below:

Tasks	Juniors			
	Ms. A	Ms. B	Ms. C	Ms. D
T1	10	17	25	16
T2	25	12	27	13
T3	14	37	18	17
T4	9	18	25	23

How should the tasks be allocated, one to each junior, so as to minimize the total work-time (minutes)?

2. A certain project comprises of activities A to G for which the required data are given below:

Activity	Proceeding Activities	Activity Duration (HRs)
A	----	3
B	----	6
C	----	5
D	A, B	4
E	A, B	6
F	C, D, E	5
G	C, D & E	4

You are required to:

- (i) Draw the network diagram;
 - (ii) Identify critical path; and
 - (iii) Find the total project duration.
3. a) What is Management Information System (MIS)? Explain the different frameworks for effective creation and successful implementation of MIS in an organization of your choice.
- b) Explain the following:
- 1) Data Dictionary; (ii) Decision Tables; and (iii) Decision Trees.

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