

**MANAGEMENT PROGRAMME (MP)**

**Term-End Examination**

**December, 2023**

**MS-4 : ACCOUNTING AND FINANCE FOR  
MANAGERS**

*Time : 3 Hours*

*Maximum Marks : 100*

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**Note :** (i) Attempt any **five** questions.

(ii) All questions carry equal marks.

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1. (a) Explain the uses of 'Earnings Information'.  
(b) Explain the Business Entity Concept and Money Measurement Concept.
2. Which instrument is used for measuring of Income ? Discuss the application of Realsiation, Accrual, Accounting period and matching concept in preparation of Profit and Loss A/c.
3. Distinguish between the following :  
(a) Current ratio and Quick ratio

- (b) Rights issues and Bonus issues
  - (c) Profit maximisation and Wealth maximization
  - (d) Direct material price variance and Direct material usage variance
4. Discuss any *two* methods of appraisal used for evaluating investment proposals. Explain the limitations of investment appraisal techniques.
  5. Explain the gross concept and net concept of working capital. Discuss the various factors considered to determine the working capital requirements of a firm.
  6. “Financial leverage is one of the important considerations in planning the capital structure of a company.” Explain this statement giving an example. Briefly describe the other factors which are also considered while planning the capital structure.
  7. Write short notes on any *four* of the following :
    - (a) Leverage Ratios
    - (b) Break-Even Analysis
    - (c) Opportunity Costs
    - (d) Operating profit
    - (e) Social Responsibility Accounting

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8. A company manufacturing a varied range of products gave the following information :

<b>Particulars</b>	<b>Total sales</b>	<b>Total cost</b>
Year ended 31st March, 2021	22,23,000	19,83,600
Year ended 31st March, 2022	24,51,000	21,43,200

Assuming stability in price, with variable costs carefully controlled to reflect predetermined relationships, and an unvarying figures costs. You are required to calculate :

- (i) The profit/volume ratio
- (ii) Fixed cost
- (iii) Fixed cost % to sales
- (iv) Break-even point
- (v) Margin of safety for the year 2020-21 and 2021-22