

MS - 04

**Management Programme (MP) / Master of Business Administration
(Banking & Finance) (MPB)/Post- Graduate Diploma in Financial
Management (PGDFM)/ Post Graduate Diploma in Financial Markets
Practice (PGDFMP)**

**ASSIGNMENT
For
January 2024 and July 2024 Sessions**

MS - 04: Accounting and Finance for Managers

**(Last date of submission for January 2024 session is 30th April, 2024
and for July 2024 sessions is 31st October, 2024)**



**School of Management Studies
INDIRA GANDHI NATIONAL OPEN UNIVERSITY
MAIDAN GARHI, NEW DELHI – 110 068**

ASSIGNMENT

Course Code	:	MS - 04
Course Title	:	Accounting and Finance for Managers
Assignment Code	:	MS - 04/TMA/JAN/2024
Coverage	:	All Blocks

Note: Attempt all the questions and submit this assignment to the coordinator of your study centre. Last date of submission for January 2024 session is 30th April, 2024 and for July 2024 session is 31st October, 2024.

1. Explain the following concepts and discuss their relevance in preparing Financial Statements:
 - (a) Business entity concept
 - (b) Money measurement concept
 - (c) Accrual concept
 - (d) Concept of conservatism
2. What is a Balance Sheet? Explain the classification of items depicted in a Balance Sheet? Supplement you answer with figures extracted from a Balance sheet of any listed company.
3. Delhi & New Delhi Company Ltd., manufactures and sells four types of products viz. A, B, C and D. The sales mix in value term comprises of:

Products	Percentage
A	33 $\frac{1}{3}$
B	41 $\frac{2}{3}$
C	16 $\frac{2}{3}$
D	8 $\frac{1}{3}$

The total budgeted sales (100%) are Rs 6,00,000 per month. The operating costs for each product is :

- 60% of the Selling Price for product - A
- 68% of the Selling Price for product - B
- 80% of the Selling Price for product - C
- 40% of the Selling Price for product - D

The fixed costs are Rs. 1,59,000 per month.

(a) Calculate the Breakeven Point for the production on overall basis.

(b) If the sales mix is changed as follows and total sales per month remains at Rs. 6,00,000, calculate the new breakeven point.

Product	Percentages%
A	25
B	40
C	30
D	5

4. What do you understand by Leverage? Explain the concept of Financial and Operating Leverage. In what way is Financial Leverage related to Operating Leverage, discuss.
5. What is Capital Structure? Discuss the features of an appropriate Capital Structure and describe the determinants of Capital Structure.