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MCS-225

**MASTER OF COMPUTER
APPLICATIONS (MCA) (NEW)**

Term-End Examination

December, 2023

**MCS-225 : ACCOUNTANCY AND FINANCIAL
MANAGEMENT**

Time : 3 Hours

Maximum Marks : 100

***Note :** Attempt any **five** questions. All questions carry equal marks.*

1. Explain the scope of accounting and discuss how accounting information is useful for various stakeholders of business. 20

2. Explain the following accounting concepts :

4×5=20

(a) Money Measurement Concept

(b) Cost Concept

P. T. O.

- (c) Going Concern Concept
- (d) Accounting Period Concept
3. Explain the use of ratios as diagnostic tool. Discuss and evaluate various 'Solvency Ratios'. 20
4. Explain the basic four decisions which a Finance Manager has to take. Discuss the objectives of financial management and explain why wealth maximization is superior to profit maximization. 20
5. What is 'Working Capital' ? Discuss the operating cycle concept of working capital. 20
6. What do you understand by cost of capital ? Explain the various techniques used to determine the cost of equity capital. 20

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7. Discuss the objectives of inventory management. Explain the Economic Order Quantity (EOQ) method of inventory management. 20
8. What are the motives for holding cash ? Explain the Baumol's model for optimum cash balance. 20