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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*

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

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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

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