

**FACULTY OF INFORMATICS****M.C.A. I - Year II – Semester (Supplementary) Examination, January 2015****Subject: Accounting and Financial Management****Time: 3 hours****Max. Marks: 80****Note: Answer ONE question from each unit. All questions carry equal marks.****UNIT – I**

1 What is Accounting? Explain its advantages and limitations.

**OR**

2 Differentiate between capital and revenue receipts and expenditure with examples.

**UNIT – II**

3 Discuss the importance and limitations of ratio analysis.

**OR**

4 “A uniform system of accounts, including identical forms of balance sheet and income statements is a pre-requisite of inter-firm comparisons”. Elucidate.

**UNIT – III**

5 Working capital management deals with decisions regarding the appropriate mix and level of current assets and current liabilities. Elucidate the statement.

**OR**

6 Briefly describe the all financial – resources concept of funds flows. What basic data are necessary to prepare such a statement.

**UNIT – IV**

7 What is the weighted average cost of capital? Examine the rationale behind the use of weighted average cost of capital.

**OR**

8 Write in detail about different types of capital budgeting techniques.

**UNIT-V**

9 From the following information

- Calculate      a) P/V ratio      b) BEP  
 c) Sales required to earn a profit of Rs.4,00,000  
 d) The profit made when sales are Rs.25,00,000

Year	Sales (Rs.)	Profit (Rs.)
1998	15,00,000	20,00,000
1999	17,00,000	25,00,000

**OR**

10 What is Budgeting? Explain different types of budgets.

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