

**MASTER OF COMPUTER
APPLICATIONS (MCA) (REVISED)
Term-End Examination
June, 2025
MCS-035 : ACCOUNTING AND FINANCIAL
MANAGEMENT**

Time : 3 Hours

Maximum Marks : 100

Weightage : 75%

Note : (i) *Question No. 1 is compulsory.
Answer any **three** questions from the
rest.*

(ii) *Calculator is allowed.*

1. (a) From the following extracts from the accounts of a firm, compute the following ratios for 2021 and 2022 : 20

Particulars	2020 (₹)	2021 (₹)	2022 (₹)
Inventories	50	52.5	65.0
Debtors	67	57.0	77.0

Other current assets	5	15.0	20.0
Cash and bank balance	30	10.0	15.0
Total	152	134.5	177.0
Current liabilities	52	54.5	72.0
Sales	300	300.0	340.0

Calculate :

- (i) Current ratio
 - (ii) Liquid ratio
 - (iii) Inventory turnover ratio
 - (iv) Debtor's turnover ratio
- (b) Explain the following : $4 \times 5 = 20$
- (i) Business entity concept
 - (ii) Money measurement concept
 - (iii) Continuity concept
 - (iv) Cost concept

2. What is Fund Flow Statement ? What are its objectives ? Explain its managerial uses.

3. What do you understand by the capital budgeting process ? Explain the following methods of capital budgeting, bringing out the advantages and disadvantages of each :

20

(i) Payback period method

(ii) Net present value method

4. What is working capital ? What are the major sources of working capital ? 20

5. What are the various factors that influence the size of receivables ? Discuss the various aspects/dimensions of receivables management. 20

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