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No.:

Name:

SAINTGITS COLLEGE OF ENGINEERING (AUTONOMOUS)

(AFFILIATED TO APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY, THIRUVANANTHAPURAM)

**THIRD SEMESTER INTEGRATED MCA DEGREE EXAMINATION (R), DECEMBER 2023
(2020 SCHEME)****Course Code: 20IMCAT207****Course Name: Accounting and Financial Management****Max. Marks: 60****Duration: 3 Hours***Students can use calculator to solve the problems.***PART A***(Answer all questions. Each question carries 3 marks)*

1. Define wealth maximisation.
2. Briefly explain dividend decision.
3. Calculate the value of current assets on the basis of the following data;
Current liabilities – Rs 3,50,000 /- Current Ratio – 3:1
4. State the importance of Fund flow statement.
5. Show cash flow from investing activities and financing activities.
6. Narrate the concept of cash and cash equivalents.
7. Describe cost reduction.
8. Discuss Cost Volume Profit Analysis.
9. Define Crowd funding.
10. Differentiate money market and capital market.

PART B*(Answer one full question from each module, each question carries 6 marks)***MODULE I**

11. a) Explain the arguments in favour of wealth maximization. (3)
b) Explain the functions of financial management. (3)

OR

12. a) Explain the arguments in favour of profit maximization. (3)
b) Write short note on ; (3)
(i) Investing decision (ii) Financing decision

MODULE II

13. a) From the following information calculate Trade Receivables Turnover Ratio and Average Debt Collection Period. (3)

Particulars	1/4/2022	31/3/2023
Bills Receivable	8300	25000
Sundry Debtors	4100	12200
Provision for doubtful debts	1500	5000
Total sales - Rs 2,60,400/- Cash sales - Rs 49,600/- Sales Return - Rs 12,400/-		

- b) Explain the different types of Profitability Ratios related to investment. (3)

OR

14. a) The Balance Sheet of Essar Ltd, as on 1/1/2022 and 31/12/2022 are given below.

Balance Sheet

Particulars	Note No.	1/1/2022	31/12/2022
<u>I. EQUITY AND LIABILITIES</u>			
1) Share holders Fund;			
a) Share capital		5,00,000	8,00,000
b) Reserves & Surplus ;			
General Reserves		50,000	70,000
Profit and loss		1,00,000	1,60,000
2) Current Liabilities			
Sundry creditors		1,53,000	1,90,000
Bills Payable		40,000	50,000
Dividend payable		7,000	5,000
Tax payable		10,000	5,000
TOTAL		8,60,000	12,80,000
<u>II. ASSETS</u>			
1) Non Current Assets			
a) Fixed ; Tangible Assets			

(3)

Land and Building		80,000	1,20,000
Plant and Machinery		5,00,000	8,00,000
b) Intangible Assets		nil	nil
2) Current Assets			
Inventories		1,00,000	75,000
Trade Receivables		1,50,000	1,60,000
Cash and cash equivalent		30,000	1,25,000
TOTAL		8,60,000	12,80,000

Prepare Schedule of Changes in working capital.

- b) “ Funds flow statement is an effective tool for managerial decision making” . But it has certain limitations . List out the limitations of fund flow statement. (3)

MODULE III

15. a) List out the uses of cash flow statement. (3)
 b) Calculate Cash Flow from Operating Activities from the following details:

Particulars	31/3/2022 (Rs)	31/3/2021 (Rs)
Surplus; Balance in statement of profit & loss	3,00,000	2,00,000
Bills Receivable	1,80,000	1,40,000
Accumulated depreciation	3,20,000	3,00,000
Outstanding rent	40,000	16,000
Prepaid insurance	12,000	14,000
Goodwill	1,60,000	2,00,000
Stock(inventories)	1,80,000	1,40,000

OR

16. a) Prepare the proforma of cash flow statement (indirect method) with imaginary figures. (3)
 b) Discuss the difference between cash flow statement and fund flow statement. (3)

MODULE IV

17. a) Calculate P/V Ratio and BEP from the following ;

Sales	10,00,000
Fixed cost	2,00,000
Variable cost	6,00,000
profit	2,00,000

(3)

- b) Explain the various components of cost.

(3)

OR

18. a) Write a short note on;

(i) Break Even Analysis

(3)

(ii) Cost control

- b) Show the various elements of cost.

(3)

MODULE V

19. a) Explain the functions of secondary market.

(3)

- b) Examine the various components of financial system.

(3)

OR

20. a) Differentiate New issue market and Secondary market.

(3)

- b) Discuss the following money market instruments;

(i) Commercial Papers(CPs)

(3)

(ii) Certificate of Deposits(CDs)

(iii) Treasury Bills (T-Bills)
