QP CODE: 26017389

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Reg No : .....

Name : .....

B.COM DEGREE (CBCS) REGULAR / REAPPEARANCE / MERCY CHANCE EXAMINATIONS, MARCH 2026

Sixth Semester

CORE - CO6CRT20 - MANAGEMENT ACCOUNTING

(Common to all B.Com Degree Programmes)

2017 Admission Onwards

FE28059A

Time: 3 Hours Max. Marks : 80

Instructions to Private candidates only: This question paper contains two sections. Answer SECTION I questions in the answer-book provided. SECTION II, Internal Examination questions must be answered in the question paper itself. Follow the detailed instructions given under SECTION II

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Distinguish between Management Accounting and Financial Accounting ? (Any Two Points)
2. What is Performance Budgeting ?
3. Define Financial Statements.
4. Distinguish between analysis and interpretation.
5. Define Ratio Analysis.
6. Write a note on Secondary ratios.
7. Calculate Proprietary Ratio from the following: Equity Share capital Rs.30,00,000; General Reserve Rs. 17,00,000; Profit & Loss A/C (Rs.2,00,000); Current Liabilities Rs. 8,00,000; Non-current Assets Rs. 54,00,000, Current Assets Rs.36,00,000.
8. What is Average Collection Period?
9. What do you mean by the term 'Fund'?
10. Compute Funds from Operations: Profit after tax: Rs. 53,000, Provision for Tax: Rs. 15,000, Income tax paid: Rs 15,900, Depreciation Rs.5, 500.
11. What is meant meant by Non-Trading Receipt ? Give an example.
12. A Company had the following balances:

PARTICULARS	(Rs.)
Investments in the beginning	34,000
Investments at the end	28,000

During the year the company sold 40% of its investment held in the beginning of the year at a profit of Rs.8,400 . Calculate Cash Flow from investing activity

(10×2=20)

Part B

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. What are the main objectives of Cost Accounting ?

14. Explain the advantages of Comparative Statements.

15. Prepare a Comparative Balance Sheet from the following information.

Particulars	31-03-2018	31-03-2019
Land and Buildings	35,00,000	40,00,000
Share capital	32,00,000	33,00,000
Governemnt Bonds	6,00,000	6,00,000
Reserves and Surplus	5,00,000	2,00,000
Short Term Investments	5,00,000	4,00,000
9 % Debentures	14,00,000	16,00,000
Cash in hand	50,000	25,000
Inventories	6,00,000	4,50,000
Trade Payables	3,00,000	4,50,000
Cash at Bank	1,50,000	75,000

16. Explain the significance of Current Ratio and Quick Ratio with suitable example.

17. From the following information calculate (i) Return on Capital Employed (ii) Return on Shareholders Fund (iii) Return on Equity (iv) Return on Total Assets.

Balance sheet as on 31.12.2019

Particulars	Note No.	Amount 2019
1. EQUITY & LIABILITIES		
1. Shareholder's Fund		
1. Share capital	1	85,000
2. Reserves & Surplus (Profit for 2019)		25,000
2. Non-current Liabilities		2,00,000
Long Term Borrowings (12% Debenture)		50,000
3. Current Liabilities		
Total		3,60,000
2. ASSETS		
1. Non-Current Assets:		2,25,000
		25,000

Fixed Assets		
Trade Investment		90,000
		15,000
2. Current Assets:		5,000
Stock		
Debtors		
Cash & cash Equivalents		
Total		3,60,000

Notes to Account

Particulars	Amount
Share Capital Equity share capital	70,000
10% Preference share capital	15,000
Total	85,000

18. " A Funds Flow Statement is a better substitute for an Income Statement" Discuss.

19. Prepare a Statement of Changes in Working Capital from the Balance Sheets of AB Ltd as on 31/03/2018 and 31/03/2019 given below;

	2018	2019
I. Equity and Liabilities:		
Share Holder's Fund		
a) Share Capital	3,00,000	4,00,000
b) Profit and Loss Account	15,000	30,000
Current Liabilities		
Trade Creditors	1,00,000	70,000
Provision for Taxation	10,000	12,000
Total Liabilities	**4,25,000**	**5,12,000**
II. Assets:		
1. Non-Current Assets		
a) Fixed: Tangible Assets		
Machinery	50,000	60,000
Furniture	10,000	15,000
2. Current Assets		
Stock	85,000	1,04,000
Debtors	1,59,000	1,50,000
Bills Receivables	11,000	13,000
Cash	1,10,000	1,70,000
Total Assets	**4,25,000**	**5,12,000**

20. The Profit of Jai Ltd. after the appropriation was Rs.3,50,000. This profit was arrived at after taking into consideration the following items:

1. Trade Receivables decrease by Rs.45,000 during the year
2. Prepaid Expenses increased by Rs.36,000 during the year
3. Trade Payables decrease by Rs.32,000 during the year
4. Outstanding Salary increase by Rs.8,000 during the year
5. Decrease in inventories by Rs,1,00,000

Calculate Net Cash from Operating Activities for the year ended 31st March 2020.

21. ABC Ltd. provided the following information, calculate Net Cash Flow from Financing Activities:

PARTICULARS	31st March 2020 (Rs.)	31st March 2019 (Rs.)
Equity Share Capital	12,00,000	10,00,000
12% Debentures	2,00,000	1,00,000

Additional Information :

1. Interest paid on Debentures Rs.19,000.
2. Dividend paid Rs.50,000.
3. During the year, ABC Ltd. issued bonus shares in the ratio of 5:1 by capitalising reserve.

(6×5=30)

Part C

*Answer any **two** questions.*

*Each question carries **15** marks.*

22. The following are Balance Sheets of HK Ltd as on 31/03/2018 and 31/03/2019.

	31-03-2018	31-03-2019
I. Equity and Liabilities:		
1. Share Holder's Fund		
a) Share Capital	7,00,000	8,00,000
b) Profit and Loss Account	-10,000	50,000
2. Non-Current Liabilities		
a) Long- Term Borrowings	4,00,000	5,00,000
3. Current Liabilities		
a) Trade Creditors	1,20,000	1,30,000
Total	**12,10,000**	**14,80,000**
II. Assets:		
1. Non-Current Assets		
a) Fixed: Tangible Assets	7,60,000	8,60,000
2. Current Assets		
i) Stock	3,00,000	3,40,000
ii) Debtors	90,000	1,00,000
iii) Cash	60,000	1,80,000
Total	**12,10,000**	**14,80,000**

Prepare a Comparative Balance Sheet and interpret the result.

23. From the following information relating to Moon Light prepare a Balance Sheet as on 31.3.2015:

1. Current Ratio	2.5
2. Liquid Ratio	1.5
3. Net Working Capital	Rs. 3,00,000
4. Cost of Sales/ Closing Stock	8 times
5. G.P Ratio	20%
6. Average Debt Collection Period	1.5 Months
7. Fixed Assets/ Proprietor's Net worth	0.75.
8. Reserves & Surplus/ Capital	0.50

24. The following are the summarised Balance Sheets of Essar Ltd as on 31 st March 2018 and 31 st March 2019.

	31-03-2018	31-03-2019
I. Equity and Liabilities:		
1. Share Holder's Fund		
a) Equity Share Capital	1,00,000	1,10,000
b) Preference Share Capital	2,20,000	2,50,000
c) Share Premium	20,000	26,000
d) Profit and Loss Account	1,04,000	1,34,000
2. Current Liabilities		
a) 12 % Debentures	70,000	64,000
3. Current Liabilities		
a) Trade Creditors	38,000	46,000
b) Bills payable	5,000	4,000
c) Provision for Taxation	10,000	12,000
d) Dividends Payable	7,000	8,000
Total Liabilities	**5,74,000**	**6,54,000**
II. Assets:		
1. Non-Current Assets		
a) Fixed: Tangible Assets		
i) Machinery	2,00,000	2,30,000
ii) Plant	1,50,000	1,76,000
iii) Building	18,000	18,000
2. Current Assets		
i) Cash at Bank	42,000	32,000
ii) Debtors	38,000	38,000
iii) Bills Receivable	42,000	62,000
iv) Stock	84,000	98,000
Total Assets	**5,74,000**	**6,54,000**

You are required to prepare Funds Flow Statement.

25. *From the following information of a firm calculate Cash from Operating Activities by applying (a) Direct Method (b) Indirect Method:*

Particulars	Rs.	Particulars	Rs.
To Cost of Goods Sold	1,40,000	By Sales	2,40,000
To Gross Profit c/d	1,00,000		
	2,40,000		2,40,000
To Salaries	20,000	To Gross Profit b/d	1,00,000
To Depreciation	30,000		
To Insurance Premium	10,000		
To Net Profit	40,000		
	1,00,000		1,00,000

Additional Information:

Particulars	1.4.2019 (Rs.)	31.3.2020 (Rs.)
Debtors	40,000	48,000
Creditors	14,000	10,000
B/R	10,000	10,000
Stock	44,000	54,000
Outstanding Salaries	4,000	5,000
Prepaid Insurance Premium	2,000	2,000

(2×15=30)