

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)
Chromepet, Chennai - 600 044.

B.Com. - END SEMESTER EXAMINATIONS - APRIL 2025
SEMESTER - V

24UCOCT5013 - Management Accounting

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

Answer any **SIX** questions (6 × 5 = 30 Marks)

1. Compute R.O.I from the following information .

Particulars	Amount
Fixed Assets	1,50,000
Current Assets	80,000
Current Liabilities	54,000
12% Debentures	1,60,000
Net profit before Interest Tax and dividend	29,000

2. Calculate the following ratio:

1) Current Ratio 2) Liquid Ratio 3) Debt Equity Ratio

Liabilities	Rs.	Assets	Rs.
Equity Share Capital	5,00,000	Land and Building	1,00,000
Pref. Share Capital	2,00,000	Machinery	4,00,000
General Reserves	1,00,000	Furniture	50,000
Secured loans	3,00,000	Inventory	3,00,000
Creditors	1,00,000	Debtors	3,00,000
		Cash	50,000
	12,00,000		12,00,000

3. Show the managerial uses of variance analysis.
4. Explain the importance of 'R.O.I'.
5. Prepare a sources and application of funds statement for the given financial statements of Kamal & Co. for 2022 and 2023.

Liabilities	2022 (Rs.)	2023 (Rs.)	Assets	2022 (Rs.)	2023 (Rs.)
Bills Payable	4,52,000	6,28,000	Cash	1,06,000	62,000
Creditors	8,26,000	12,54,000	Investment	1,74,000	—
Loans	2,00,000	4,70,000	Debtors	6,92,000	10,56,000
Reserves & Surplus	13,84,000	17,28,000	Stock	8,64,000	13,66,000
Share Capital	12,00,000	12,00,000	Net fixed assets	22,26,000	27,96,000
	40,62,000	52,80,000		40,62,000	52,80,000

Adjustments: Depreciation of Rs.3,78,000 was written off for the year 2023 on fixed assets.

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6. Predict any five differences between cash flow statement and funds flow statement.
7. Illustrate the areas where the marginal costing is applied for decision making.
8. The sales and profit for two years were given and you are required to assess the following from the given data:
 - (a) P/V Ratio
 - (b) Break-even point
 - (c) Sales required to earn profit of Rs.46,000
 - (d) Profit when sales are Rs.1,35,000

Year	Sales (Rs.)	Profit (Rs.)
2022	1,40,000	15,000
2023	1,60,000	20,000

Section C

Answer any **THREE** questions (3 × 10 = 30 Marks)

9. The following are the balance sheet of X Ltd., and Y Ltd., as on 31.03.2022. Prepare common size balance sheet.

Balance sheet as on 31.03.2022

Liabilities	X Ltd., (Rs.)	Y Ltd., (Rs.)	Assets	X Ltd., (Rs.)	Y Ltd., (Rs.)
Share capital	25,00,000	40,000	Fixed assets	60,00,000	80,000
Reserves	10,00,000	60,000	Stock	20,00,000	20,000
10% Debentures	40,00,000	—	Debtors	50,00,000	15,000
Term loans	60,00,000	10,000	Bills Receivable	10,00,000	10,000
Creditors	20,00,000	20,000	Cash at Bank	20,00,000	15,000
Bills Payable	5,00,000	10,000			
	1,60,00,000	1,40,000		1,60,00,000	1,40,000

10. A factory worked for 6,000 labour hours during a week. 200 hours were wasted due to power failure. The sundry works done by the workers were equal to 6,400 standard hours. The standard rate per hour was Rs.20. the actual wage rate was Rs.25 per hour. Compute the labour variances.
11. Examine the ratios for Raman Bros. purchases and sold goods on both cash and credit terms. The following information are obtained from his books. You are required to calculate the following ratios: Stock turnover ratio; Fixed asset turnover ratio; Debtors turnover ratio; Debtors collection period; Accounts payable turnover and Accounts payable period.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
Total Sales	5,00,000	Purchase returns	10,000
Cash sales	40,000	Creditors at the end	60,000
Sales returns	20,000	Bills payable at the end	20,000
Debtors at the end	80,000	Reserve for discount on creditors	2,000
Bills receivable at the end	20,000	Opening stock	50,000
Reserve for doubtful debts	1,000	Closing stock	40,000
Total purchases	3,00,000	Gross profit	1,00,000
Cash purchases	50,000	Fixed assets	10,00,000

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12. From the following Balance sheets of A Ltd., as on 31.12.2023 and 31.12.2024. Prepare a cash flow statement.

Balance Sheet

Liabilities	31.12.24	31.12.23	Assets	31.12.24	31.12.23
Share capital	1,50,000	1,00,000	Fixed assets	1,50,000	1,00,000
Profit & Loss A/c	80,000	50,000	Goodwill	40,000	50,000
General Reserve	40,000	30,000	Stock	80,000	30,000
6% Debentures	60,000	50,000	Debtors	80,000	50,000
Creditors	40,000	30,000	Bills Receivable	20,000	30,000
Outstanding Expenses	15,000	10,000	Bank	15,000	10,000
	3,85,000	2,70,000		3,85,000	2,70,000

13. Diagnose a flexible budget on the basis of following information.

Particulars	At 70% Capacity (Rs.)	At 80% Capacity (Rs.)	At 90% Capacity (Rs.)
Variable overheads:			
Indirect labour	—	12,000	—
Stores	—	4,000	—
Semi-variable overheads:			
Power (30% Fixed)	—	30,000	—
Repairs (60% Fixed)	—	4,000	—
Fixed overheads:			
Depreciation	—	11,000	—
Insurance	—	4,000	—
Salary	—	10,000	—
