Q.P. Code: 32623

Sixth Semester B.Com. Degree Examination, May/June, 2026

(NEP Scheme)

COMMERCE

(NCF 0230) Management Accounting

Time : 2 Hours Max. Marks : 60

Instructions to students:

1. **The students should legibly write section number along with question numbers.**
2. **The answers without section number and question numbers will not be valued.**
3. **Section - I Multiple choice questions should be answered in the first page of main answer book and some questions shall not be answered repeatedly.**
4. **Any identifications like marking, ticking, dots etc., in the options of MCQ Questions (Section-I) on the question paper is strictly prohibited. Do not write anything (except register number) on the question paper.**
5. **Ordinary calculator may be used.**

SECTION - I

I. Select the most appropriate answer from the options provided. ONE marks each. **(10x1=10)**

I-1. The main function of Management Accounting is _____

a) Decision making b) Planning
c) Direction d) Provision of information to management

I-2. Which of the following is not a tool of Management Accounting?

a) Cash Flow Statement b) Ratio Analysis
c) Process Costing d) Fund Flow Statement

I-3. Which of the following is not part of the Financial Statements?

a) Profit and Loss Account b) Cost Sheet
c) Balance Sheet d) Cash Flow Statement

I-5. A company's Sales Revenue Rs. 60,00,000 ; Cost of Sales Rs. 42,00,000 and operating expenses are Rs. 6,00,000. What is the amount of Gross Profit?

a) ₹ 54,00,000 b) ₹ 18,00,000 c) ₹ 12,00,000 d) ₹ 24,00,000

I-6. Investments of a company increased from ₹ 3,00,000 to ₹ 4,00,000. What is the percentage of change of increase?

a) 30% b) 33.33% c) 36.67% d) 40%

I-7. If Current Assets are ₹ 10,00,000 and Current Liabilities are ₹ 4,00,000, then, what will be the Current Ratio?

a) 2:1 b) 2.25:1 c) 2.5:1 d) 2.65:1

I-8. If the Market Price per share is ₹ 210 and EPS is ₹ 8.50, then, the P/E Ratio is _____
a) 24.70 b) 24.50 c) 24.30 d) 24.90

I-9. The company has Share Capital ₹ 50,00,000, Reserves ₹ 10,00,000 and Long-Term borrowings of ₹ 45,00,000. What wil be the Debt-Equity Ratio?
a) 0.25:1 b) 0.5:1 c) 0.75:1 d) 1:1

I-10. Sales ₹ 40,00,000, Cost of Goods Sold 60% of Sales, Operating Expenses ₹ 3,00,000 and rate of Tax is 40%. What will be the Profit after Tax?
a) ₹ 5,20,000 b) ₹ 6,40,000 c) ₹ 7,80,000 d) ₹ 9,60,000

SECTION - II

II. Answer any FIVE of the following questions. THREE marks each. (5x3=15)

II-1. Define the term 'Management Accounting'.

II-2. What is Financial Statement Analysis?

II-3. What do you mean by Management Audit?

II-4. From the following Income Statements of Agumbe Company Ltd., prepare Common-size statement.

Particulars	31.3.2021	31.3.2022
Sales	12,50,000	19,25,000
Cost of Goods Sold	07,25,000	13,40,000
Operating Expenses	02,60,000	03,20,000

II-5. The value of stock extracfted from the books of M/s. Kushi Ltd. in different years is given below:

Year ending 31st March	2019	2020	2021	2022	2023
Stock (₹)	50,000	60,000	43,500	32,500	48,000

Calculate Trend Percentages.

II-6. From the given data, you are required to calculate Gross Profit Ratio:
Total Sales ₹ 3,00,000, Sales returns ₹ 25,000, Cost of goods sold ₹ 2,20,000.

II-7. Calculate EPS from the data given below:
Net Profit ₹ 43,50,000 Equity Share Capital (₹ 10 per share) ₹ 50,00,000

II-8. From the following information, prepare Fixed Asset Account:

Particulars	Amount (₹)
Fixed assets on 1.1.2023	7,60,000
Fixed assets on 31.12.2023	7,20,000
Depreciation Charged during the year	1,40,000
Sale proceeds from scrapped assets (Book value 20,000)	0,15,000

SECTION - III

III. Answer any THREE of the following. FIVE marks each. **(3x5=15)**

III-1. Briefly explain the various functions of 'Management Accounting'.

III-2. Elucidate the different types of Financial Statement Analysis with suitable examples.

III-3. Prepare Comparative Income Statement of M/s. Mandara Ltd. from the following information for the year ended 31.3.2022 and 2023.

Particulars	31.3.2022 (₹)	31.3.2023 (₹)
Net Sales	50,00,000	60,00,000
Cost of Goods Sold	25,00,000	28,00,000
Operating Expenses	02,50,000	03,00,000
Other Income	01,20,000	01,80,000
Interest	01,70,000	01,60,000

III-4. Calculate Inventory Turnover from the following particulars:

Particulars	Amount (₹)
Cash Sales	5,00,000
Credit Sales	3,00,000
Return inwards	50,000
Opening Stock	50,000
Closing Stock	70,000
G/P. Ratio	20%

III-5. From the following information pertaining to XYZ Co. Ltd., calculate Cash from Operating Activities.

Net Profit ₹ 12,000

Opening Stock ₹ 25,000 and Closing Stock ₹ 22,000

Debtors on 1.1.2023 ₹ 35,000 and Debtors on 31.12.2023 ₹ 38,400

Creditors on 1.1.2023 ₹ 36,000 and Creditors on 31.12.2023 ₹ 41,000

The provision for depreciation as on 1.1.2023 was ₹ 27,000 and on 31.12.2023 was ₹ 36,000.

SECTION - IV

IV. Answer the following questions. TEN marks each. **(2x10=20)**

IV-1. a) Distinguish between Management Accounting and Financial Accounting.

OR

b) From the following information related to Pruthvi Ltd., re-arrange the information suitable for analysis and calculate : (a) Gross Profit Ratio, (b) Operating Ratio, (c) Operating Profit Ratio and (d) Net Profit Ratio.

Particulars	Amount (Rs.)
Sales	56,40,000
Cost of Goods Sold	41,80,000
Administrative Expenses	5,52,000
Selling and Distribution Expenses	4,45,000
Interest and Dividend Received	1,85,000
Loss on sale of Machinery	93,000

IV-2. a) Explain the differences between the Financial Audit and Management Audit.

OR

b) The Balance Sheets of Akshay Ltd. as on 31.12.2022 and 31.12.2023 are given as below:

Liabilities	31.12.2022	31.12.2023	Assets	31.12.2023	31.12.2023
Share Capital	8,00,000	10,00,000	Land & Buildings	5,75,000	5,60,000
Profit & Loss A/c.	1,80,000	2,00,000	Furniture	3,90,000	3,80,000
Sundry Creditors	1,20,000	50,000	Debtors	45,000	1,00,000
			Stock	80,000	1,80,000
			Cash and Bank	10,000	30,000
	11,00,000	**12,50,000**		**11,00,000**	**12,50,000**

Additional information: There is no purchase or sale of fixed assets. Prepare Cash Flow Statement.

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