



Term Evaluation (Odd) Semester Examination September 2025

Roll no.....

Name of the Course and semester: B.com (Hons) V Sem

Name of the Paper: Management Accounting

Paper Code: BCH 503

Time: 1.5-hour

Maximum Marks: 50

Note:

- (i) Answer all the questions by choosing any one of the sub questions
- (ii) Each question carries 10 marks.
- (iii) Please specify COs against each question.

Q1. (10 Marks)

a. Why is Management Accounting important for effective managerial decision-making?
(CO1)

OR

b. Differentiate between Management Accounting and Financial Accounting with the help of an example? (CO2)

Q2. (10 Marks)

a. What is ratio analysis? Explain its significance in management accounting and how it helps managers assess a company's financial health? (CO2)

OR

b. Explain the different tools and techniques used in Management Accounting ? (CO1)

Q3. (10 Marks)

a. Illustrate the significance of cash flow analysis as a tool in management accounting. How does it help in understanding the movement of cash within a business? (CO 3)

OR

b. From The following information has been extracted from the books of **M/s Bright Ltd.** for the year ending 31st March 2024: (CO4)

Cash = ₹80,000

Bills Receivable = ₹60,000

Sundry Debtors = ₹2,60,000

Closing Stock = ₹2,00,000

Prepaid Expenses = ₹20,000

Sundry Creditors = ₹1,50,000

Bills Payable = ₹1,00,000

Outstanding Expenses = ₹50,000

Gross Sales = ₹20,00,000

Cash Sales = ₹4,00,000

Gross Profit = ₹5,00,000

Equity Share Capital = ₹10,00,000

Reserves & Surplus = ₹2,00,000



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Debentures = ₹3,00,000

Total Assets = ₹15,00,000

Required:

On the basis of the above information, calculate:

- Current Ratio
- Debtors Turnover Ratio (assume all credit sales are on account)
- Gross Profit Ratio
- Proprietary Ratio

Q4.

(10 Marks)

- From the information given in the summarized balance sheet of X Co. Ltd, you are required to prepare a cash flow statement (CO4)

Balance sheet of X Ltd

Liabilities	2024 (Rs)	2025 (Rs)	Assets	2024 (Rs)	2025 (Rs)
Share capital	1,80,000	1,80,000	Plant and Machinery	1,60,000	1,28,000
General reserve	120000	124000	Investments	20,000	24,000
Profit and loss A/C	22400	27200	Stock	96,000	84,000
Long term Loan	-	108000	Debtors	84,000	1,82,000
Provision for Tax	30000	4000	Cash	59,600	78,800
creditors	67,200	53,600			
	4,19,600	4,96,800		4,19,600	4,96,800

Additional information:

- Dividend paid during the year was Rs 16,000
- Provision for tax made during the year was Rs 3600
- During the year 2025 a part of Plant and Machinery Costing Rs 4000 was sold for Rs 4800.
- Investment costing Rs 3200 were sold during the year 2025 for Rs 3400

OR

- Explain Fund flow analysis. How is it different from cash flow analysis, and what insights does it provide to management?

(CO2)

Q5.

(10 Marks)

- A company have Rs. 2,50,000 cash in hand on 1st April 2025 and it requires you to prepare cash budget in respect of four months from April to July 2025, from the information given below?

(CO5)

	Sales (Rs)	Purchases (Rs)	Wages (Rs)	Expenses (Rs)
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February	2,80,000	160,000	32,000	24,000
March	3,20,000	2,00,000	32,000	28,000
April	3,68,000	2,08,000	36,000	28,000
May	2,00,000	2,40,000	40,000	32,000
June	2,40,000	2,20,000	48,000	36,000
July	2,00,000	3,00,000	50,000	40,000

Additional Information:

- (a) Period of credit allowed by suppliers - three months.
- (b) 30 % of sale is for cash and the period of credit allowed to customer for credit sale two month.
- (c) Delay in payment of wages and expenses two month.
- (d) Income Tax Rs. 1,00,000 is to be paid in July 2025.

OR

- b. Explain the objectives of budgetary control in an organization. How do these objectives support planning and coordination across departments? (CO2)