DCBC601

Reg. No.

VI Semester B.Com.(Regular)/B.D.A./L.S.C.M. A&F Degree Examination, May/June - 2026
COMMERCE
Management Accounting
(NEP Scheme F+R)
Paper : Com 6.1

Time : 2½ Hours **Maximum Marks : 60**

Instructions to Candidates:

Answers should be written in English.

SECTION - A

Answer any Five sub-questions from the following. Each sub-question carries 2 marks. **(5×2=10)**

1. a) What is Management Accounting?

   b) Write any two objectives of Management Accounting.

   c) Give the meaning of comparative statement.

   d) Name any four Profitability Ratios.

   e) Write any two limitations of Accounting Ratios.

   f) What do you mean by Cash Flow Statement?

   g) Give the meaning of Flexible Budget.

SECTION - B

Answer any Four questions from the following. Each question carries 5 marks. **(4×5=20)**

2. Write any five differences between Financial Accounting and Management Accounting.

3. From the following information prepare Common size income statement.

[P.T.O.

Particulars		X Ltd.,	Y Ltd.,
Sales		10,00,000	8,00,000
Less:	Cost of Goods Sold	6,00,000	4,00,000
	Gross Profit	4,00,000	4,00,000
Less:	Operating Expenses	2,00,000	1,40,000
	Operating Profit	2,00,000	2,60,000
Add:	Non operating Income	40,000	20,000
		2,40,000	2,80,000
Less:	Tax [50% on profit]	1,20,000	1,40,000
	Net Profit	1,20,000	1,40,000

4. Following information is available relating to a company.

Bills payable on 1/4/25	Rs. 3,00,000
Creditors on 1/4/25	Rs. 2,50,000
Bills payable 31/3/26	Rs. 3,50,000
Creditors 31/3/26	Rs. 3,00,000
Credit purchases for the year	Rs. 60,00,000

Calculate Creditors Turnover Ratio and average payment Period.

5. ABC Ltd., gives the following information regarding manufacturing of a commodity.

The actual production during the period was 60,000 units.
Raw material Rs. 2.52 per unit
Direct labour Rs. 0.75 per unit
Direct expenses Rs. 0.10 per unit
Works overhead [60% fixed] Rs. 2.50 per unit
Administration overhead [80% fixed] Rs. 0.40 per unit
Selling overhead [50% fixed] Rs. 0.20 per unit

Prepare Flexible Budget for production of 1,00,000 units.

6. Prepare cash flow statement on the basis of the information given in the balance sheet of CJ Ltd., as on 31/3/25 and 31/3/26:

Balance Sheet of CJ Ltd.,

Liabilities	**2025**	**2026**	**Assets**	**2025**	**2026**
Share capital	2,00,000	2,50,000	Good will	10,000	2,000
12% Debentures	1,00,000	80,000	Land & Building	2,00,000	2,80,000
General Reserve	50,000	70,000	Machinery	1,00,000	1,30,000
Creditors	40,000	60,000	Debtors	40,000	60,000
Bills payable	20,000	1,00,000	Stock	70,000	90,000
O/s Expenses	25,000	20,000	Cash	15,000	18,000
	4,35,000	**5,80,000**		**4,35,000**	**5,80,000**

SECTION - C

Answer any Two questions from the following. Each question carries 12 marks.
(2×12=24)

7. The following is the Balance Sheet of M Ltd., as on 31-3-25 and 31-3-26.

Liabilities	2025	2026	Assets	2025	2026
Equity capital	1,00,000	1,65,000	Fixed Assets	1,20,000	1,75,000
Pref. Share capital	50,000	75,000	Inventery	20,000	25,000
General Reserve	17,500	25,000	Debtors	50,000	62,500
Bank Overdraft	25,000	25,000	Bills Receivables	10,000	30,000
Creditors	20,000	25,000	Cash	20,000	26,500
Provision for Tax	17,500	25,000	Bank	5,000	15,000
			Prepaid expenses	5,000	6,000
	2,30,000	**3,40,000**		**2,30,000**	**3,40,000**

Prepare comparative balance sheet and give your comment.

8. The following are the summarised Balance Sheet of Jayanth Ltd., for the year ended 31st March 2025 and 2026.

Liabilities	2025	2026	Assets	2025	2026
Share capital	3,00,000	4,00,000	Goodwill	1,15,000	90,000
Pref. Share capital	1,50,000	1,00,000	Land & Building	2,00,000	1,70,000
General Reserve	40,000	70,000	Plant	80,000	2,00,000
P & L A/c	30,000	48,000	Debtors	1,60,000	2,00,000
Proposed dividend	42,000	50,000	Stock	77,000	1,09,000
Creditors	55,000	83,000	Bills receivables	20,000	30,000
Bills payable	20,000	16,000	Cash	15,000	10,000
Provision for Tax	40,000	50,000	Bank	10,000	8,000
	6,77,000	**8,17,000**		**6,77,000**	**8,17,000**

Additional Information:

a) Depreciation on land and building Rs. 20,000 and plant Rs. 10,000 was charged during the year.

b) Dividend paid during the year Rs. 20,000

c) Income tax paid during the year Rs. 35,000

Prepare Cash Flow statement.

9. A company has the opening balance of cash of Rs. 37,500 on 1st April 2026.

From the following information prepare Cash Budget for three months April-June 2026.

Month	Sales (Rs.)	Purchases (Rs.)	Wages (Rs.)	Overheads (Rs.)
February	75,000	45,000	9,000	18,000
March	84,000	48,000	9,750	18,750
April	90,000	52,500	10,500	20,250
May	1,20,000	60,000	13,500	23,820
June	1,35,000	60,000	14,250	28,000

Other Information:

a) Period of credit allowed by suppliers - 2 months.

b) 20% of the sales are in cash and period credit allowed to customers for credit sales is 1 month.

c) Delay in payment of all expenses is 1 month.

d) Income tax of Rs. 57,500 is due on June 2026.

e) The company is to pay dividend to share holders and bonus to workers of Rs. 15,000 and Rs. 22,500 respectively in the month of April.

SECTION - D

Answer any One question from the following. The question carries 6 marks.

(1×6=6)

10. Prepare a trend analysis statement for three years with imaginary figures.

11. Prepare flexible budget with imaginary figures.