

NEP - Semester End Examination – October 2025

Program: S.Y.B.COM(MS) SEM III **Course:** ACCOUNTING FOR MANAGERIAL DECISION

Program Code: UGMS02 **Course Code:** NUMS304

Duration: 2 Hour

Max. Marks: 60

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Draw neat diagrams wherever necessary.

Q. 1		[15]	Course Outcome	Knowledge Level
(a)	Fill in the blanks with an appropriate answer from the alternatives given.	(08)	CO1 CO2 CO3 CO4	L1
I)	Current liabilities include creditors Rs. 2,00,000, Bills payable Rs. 1,00,000, Expenses payable Rs. 50,000, bank Overdraft Rs. 2,00,000 Quick liabilities will be ----.			
	a. Rs.3,00,000	b. Rs.3,50,000		
	c. Rs. 2,50,000	d. Rs.2,00,000		
II)	Balance sheet is ---			
	a. Statement of assets & Liabilities	b. statement of operating results		
	c. statement of working capitals	d. None of the above		
III)	General Reserves is created out of ---			
	a. Profit	b. Income		
	c. Expenditure	d. Dividend Received		
IV)	Bank Overdraft is not a ---			
	a. Quick liability	b. Current liability		
	c. Urgent liability	d. Liability		
V)	The Intangible assets which do not have value are ----			
	a. Tangible assets	b. Intangible assets		
	c. Fictitious assets	d. Current assets		

	VI)	Common size statement is a tool of ---				
	a.	Vertical analysis	b.	Horizontal analysis		
	c.	Technical analysis	d.	Fundamental analysis		
	VII)	Liquid ratio which is equal to the following is favorable				
	a.	2:1	b.	1:1		
	c.	1:3	d.	2:5		
	VIII)	Management accounting information is generally prepared for ----				
	a.	Managers	b.	Shareholders		
	c.	Creditors	d.	Government		
(b)	State whether the following statements are true or false.				(07)	
I)	Management accounting is future oriented.					
II)	Balance sheet shows result of activities.					
III)	Calls in arrears is calls in advance					
IV)	Authorized capital is the maximum capital that can be raised by a company					
V)	Public deposit is a secured loan.					
VI)	All current liabilities are current liabilities					
VII)	Floating assets are current assets					
Q. 2	Attempt any ONE of the following.				[15]	Course Outcome Knowledge Level
(a)	Following information regarding M/s Avita Ltd. for the year ended 31 st March, 2018.					
	Particulars	Rs.	Particulars	Rs.		
	Sales	20,00,000	Return Inwards	50,000		
	Opening stock of raw materials	1,10,000	Purchase of raw materials	5,00,000		
	Staff salaries	1,50,000	Commission allowed	5,000		
	Salesmen salaries	25,000	Proposed dividend	1,50,000		
	Bank charges	10,000	Exhibition Expenses	35,000		
	Freight Inwards	40,000	Repairs of computer	5,000		
	Office Rent & Insurance	45,000	Closing stock of work-in-progress	40,000		
	Debenture Interest	50,000	Wages	70,000		

	<table><tr><td>Loss on sale of machinery</td><td>10,000</td><td>Purchases of finished goods</td><td>80,000</td></tr><tr><td>Printing & Stationery</td><td>5,000</td><td>Interest received on Investment</td><td>40,000</td></tr><tr><td>Direct Expenses</td><td>50,000</td><td>Provision for Income Tax</td><td>2,00,000</td></tr><tr><td>Profit & Loss A/c (Credit)</td><td>2,40,000</td><td>Closing stock of Raw Material</td><td>80,000</td></tr><tr><td>Depreciation on patterns</td><td>10,000</td><td>Sale of scrap</td><td>20,000</td></tr><tr><td></td><td></td><td>Depreciation on machinery</td><td>20,000</td></tr></table> <p>You are required to rearrange the above information and prepare vertical Income statement.</p>	Loss on sale of machinery	10,000	Purchases of finished goods	80,000	Printing & Stationery	5,000	Interest received on Investment	40,000	Direct Expenses	50,000	Provision for Income Tax	2,00,000	Profit & Loss A/c (Credit)	2,40,000	Closing stock of Raw Material	80,000	Depreciation on patterns	10,000	Sale of scrap	20,000			Depreciation on machinery	20,000																																									
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(b)	<p>Summarized Balance sheet of the Tom Ltd are as follows:</p> <table><tr><th>Liabilities</th><th>2018(Rs)</th><th>2019 (Rs)</th><th>Assets</th><th>2018 (Rs)</th><th>2019 (Rs)</th></tr><tr><td>Equity share capital</td><td>4,00,000</td><td>5,00,000</td><td>Fixed assets</td><td>5,40,000</td><td>6,72,000</td></tr><tr><td>General Reserves</td><td>20,000</td><td>40,000</td><td>Investments</td><td>1,30,000</td><td>90,000</td></tr><tr><td>Profit & Loss A/c</td><td>50,000</td><td>60,000</td><td>Stock</td><td>90,000</td><td>85,000</td></tr><tr><td>12% debentures</td><td>1,00,000</td><td>1,50,000</td><td>Debtors</td><td>25,000</td><td>45,000</td></tr><tr><td>Creditors</td><td>1,35,000</td><td>45,000</td><td>Bills Receivable</td><td>-</td><td>35,000</td></tr><tr><td>Bills payable</td><td>40,000</td><td>50,000</td><td>Cash</td><td>10,000</td><td>5,000</td></tr><tr><td>Provision for taxation</td><td>60,000</td><td>80,000</td><td>Bank</td><td>8,000</td><td>-</td></tr><tr><td>Bank Overdraft</td><td>-</td><td>10,000</td><td>Misc. expenditure</td><td>2,000</td><td>3,000</td></tr><tr><td></td><td>8,05,000</td><td>9,35,000</td><td></td><td>8,05,000</td><td>9,35,000</td></tr></table> <p>You are required to prepare a comparative statement.</p>			Liabilities	2018(Rs)	2019 (Rs)	Assets	2018 (Rs)	2019 (Rs)	Equity share capital	4,00,000	5,00,000	Fixed assets	5,40,000	6,72,000	General Reserves	20,000	40,000	Investments	1,30,000	90,000	Profit & Loss A/c	50,000	60,000	Stock	90,000	85,000	12% debentures	1,00,000	1,50,000	Debtors	25,000	45,000	Creditors	1,35,000	45,000	Bills Receivable	-	35,000	Bills payable	40,000	50,000	Cash	10,000	5,000	Provision for taxation	60,000	80,000	Bank	8,000	-	Bank Overdraft	-	10,000	Misc. expenditure	2,000	3,000		8,05,000	9,35,000		8,05,000	9,35,000		CO1	L3
Liabilities	2018(Rs)	2019 (Rs)	Assets	2018 (Rs)	2019 (Rs)																																																													
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Q. 3	Attempt any ONE of the following.			[15]	Course Outcome Knowledge Level																																																													
(a)	<p>From the following Balance sheet convert into Vertical Balance sheet and calculate the following ratio: 1)Liquid Ratio 2) stock working capital ratio 3) Debtors turnover ratio 4) Creditors turnover ratio 5) Capital gearing ratio M/s Pravati Ltd. Balance sheet as on 31st March, 2022</p>				CO2 L3																																																													

Liabilities	Amount (Rs)	Assets	Amount (Rs)
Equity share capital	3,30,000	Debtors	68,000
5% Preference share capital	1,00,000	Bills Receivable	12,000
Reserves	68,000	Cash & Bank Balance	32,000
Profit & Loss Account	32,000	Stock	38,000
Creditors	48,000	Other current Assets	68,000
5% debentures	1,10,000	Preliminary Expenses	12,000
Provision for Income tax(current year)	20,000	Fixed Assets	2,47,000
Bills payable	32,000	Prepaid Expenses	5,000
Bank overdraft	22,000		
Proposed Dividend	20,000		
	7,82,000		7,82,000

Additional Information:

- 1) Sales Rs. 8,00,000 (80% on credit)
- 2) Credit purchases Rs. 4,00,000
- 3) Net profit before tax Rs. 60,000.

OR

- (b) The management of KAKA Ltd. has asked you to prepare an estimate showing the working capital requirement for 2011-12 along with estimate cost sheet.

Present Position 2010-11.

Operating capacity - 40% giving output of 40,000 units for the year.

Cost structure per unit:

Raw Material Rs 20

Direct labor Rs 15

Overheads Rs 10

Profit Rs.5

Estimates for the Next year 2011-12

Operating Capacity – 60%

Cost structure —

Raw Material cost to increase by 10%

Direct labor cost to increase by 20%

Overheads to increase by 20%

Selling price to increase by 20%

The following further information is available: -

- 1) The purchase, production and sales pattern is assumed to be even throughout the year.
- 2) The raw materials will remain in stock for 1 month.
- 3) The production process will take 1 month wherein labor and overheads will accrue evenly during the process.
- 4) The finished goods will remain in the stock for 2 months.
- 5) The customers will allow a credit of 2 months.

CO4

L3

	6) The suppliers will allow a credit of 1 month. 7) The time lag in the payment of labour will be 1 month. 8) The time lag in payment of overheads will be half a month. 9) The cash and bank balance is expected to be Rs. 25,000. 10) Calculate debtors on cost basis. 11) 20% of the purchase will be on cash basis.																																																									
Q. 4	Attempt any ONE of the following.	[15]	Course Outcome	Knowledge Level																																																						
(a)	<p>From the following financial statements prepare cash flow statement of Sagar Ltd. For the year ended 31st March, 2018.</p> <table><tr><th>Liabilities</th><th>31-6-2017</th><th>31-3-2018</th><th>Assets</th><th>31-6-2018</th><th>31-3-2018</th></tr><tr><td>Share capital</td><td>1,35,000</td><td>1,40,000</td><td>Goodwill</td><td>13,950</td><td>4,950</td></tr><tr><td>Profit & Loss A/c</td><td>30,000</td><td>35,000</td><td>Land & Building</td><td>32,400</td><td>45,000</td></tr><tr><td>General Reserves</td><td>10,500</td><td>19,000</td><td>Plant & Machinery</td><td>1,13,400</td><td>85,050</td></tr><tr><td>Debentures</td><td>45,000</td><td>22,000</td><td>Furniture</td><td></td><td>40,500</td></tr><tr><td>Loans</td><td>67,950</td><td>62,010</td><td>Investments</td><td>40,500</td><td>49,500</td></tr><tr><td>Creditors</td><td>71,650</td><td>43,940</td><td>Debtors</td><td>94,500</td><td>1,14,120</td></tr><tr><td>Proposed Dividend</td><td>13,500</td><td>16,200</td><td>Bank Balance</td><td>89,650</td><td>11,630</td></tr><tr><td>Total</td><td>3,84,400</td><td>3,50,750</td><td>Total</td><td>3,84,400</td><td>3,50,750</td></tr></table> <p>Other Information:</p> <ul style="list-style-type: none">i) Depreciation is provided @ 10% on furniture on opening balanceii) Depreciation on land & Building is Rs. 5,000.iii) Investment costing Rs. 8,000 was sold for Rs. 10,000.iv) Tax of Rs. 13,000 was paid in the year 2018.	Liabilities	31-6-2017	31-3-2018	Assets	31-6-2018	31-3-2018	Share capital	1,35,000	1,40,000	Goodwill	13,950	4,950	Profit & Loss A/c	30,000	35,000	Land & Building	32,400	45,000	General Reserves	10,500	19,000	Plant & Machinery	1,13,400	85,050	Debentures	45,000	22,000	Furniture		40,500	Loans	67,950	62,010	Investments	40,500	49,500	Creditors	71,650	43,940	Debtors	94,500	1,14,120	Proposed Dividend	13,500	16,200	Bank Balance	89,650	11,630	Total	3,84,400	3,50,750	Total	3,84,400	3,50,750		CO3	L3
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(b)	Write short notes on (Attempt any 3)	[15]	Course Outcome	Knowledge Level																																																						
1)	Objectives of Financial Statements		CO1 CO2 CO3 CO4	L4																																																						
2)	Advantage of Ratio Analysis																																																									
3)	Cash Flow statement																																																									
4)	Types of Working Capital																																																									
5)	Balance sheet Ratio																																																									