

**(FOR THE CANDIDATES ADMITTED
DURING THE ACADEMIC YEAR 2025 ONLY)**

24UBM410

REG.NO. :

**N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI
END-OF-SEMESTER EXAMINATIONS : APRIL-2026**

**B.B.A
SEMESTER: IV**

**MAXIMUM MARKS: 75
TIME : 3 HOURS**

**PART - III
COST AND MANAGEMENT ACCOUNTING**

SECTION – A

(10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS.

MULTIPLE CHOICE QUESTIONS.

K1

1. Cost Accounting is mainly concerned with: _____
 - a. Profit Distribution
 - b. Cost Control
 - c. Auditing
 - d. Tax Calculation
2. Management Accounting is used for: _____
 - a. External reporting
 - b. Decision Making
 - c. Tax Filing
 - d. Auditing
3. Which of the following is a type of budget?
 - a. Sales Budget
 - b. Cash Budget
 - c. Production Budget
 - d. Journal
4. Fund Flow Statement shows changes in: _____.
 - a. Cash only
 - b. Working Capital Management
 - c. Profit
 - d. Sales
5. Current Ratio is used to measure: _____.
 - a. Profitability
 - b. Solvency
 - c. Efficiency
 - d. Liquidity

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES.

K2

6. Rewrite the term Cost Accounting.
7. Compute the meaning of Management Accounting
8. Define the concept of “Zero Base Budget”.
9. Explain the term Sources of Application.
10. Compute the meaning of Ratio Analysis.

SECTION – B

(5 X 5 = 25 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.

(K3)

11. a) Examine the Scope of Cost Accounting.
(OR)
b) Explain how the advantages of cost accounting can help the firm improve its performance.
12. a) Examine the functions of Management Accounting
(OR)
b) Compute any five differences between Cost and Management Accounting.

(CONTD.....2)

13. a) A company estimates its sales for the next three months as follows:

January: 1,000 units

February: 1,200 units

March: 1,500 units

The selling price per unit is ₹50.

Prepare a Sales Budget (in value) for the three months.

(OR)

b) Examine the different techniques of budgetary control

14. a) Draw the proforma of Fund Flow Statement

(OR)

b) Explain the different applications of Cash flow statement. a

15.a) From the following details, calculate: _____.

1. Gross Profit Ratio

2. Net Profit Ratio

3. Operating Profit Ratio

• Net Sales = ₹6,00,000

• Cost of Goods Sold = ₹4,20,000

• Operating Expenses = ₹90,000

• Net Profit = ₹60,000

(OR)

b) Examine the significance of Ratio Analysis.

SECTION – C

(5 X 8 = 40 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.

(K4 (Or) K5)

16. a) Prepare cost Sheet

Stock of raw materials on 1st April 2018 10,000 Advertisement Rs. 12,000

Carriage Inward Rs. 5,000

Telephone Charges Rs. 3,000

Direct Wages Rs. 50,000

Sales Commission Rs. 8,000

Direct Expenses Rs. 40,000

Income Tax Rs. 10,000

Purchases of raw materials Rs. 2,00,000

Office Rent Rs. 20,000

Dividend Received 40,000

Factory Rent Rs 4,000

Director's Remuneration Rs. 25,000

Motive Power Rs. 2,000

Warehouse Rent Rs. 18,000

Carriage outward Rs. 6,000

Sales Rs. 5,00,000

Stock of raw materials on 31st March

2019 Rs. 60,000

(OR)

b) Explain the different types of cost.

17.a) Explain the different techniques of Marginal cost.

(OR)

b) Explain the differences between Management Accounting and Financial Accounting. How do they complement each other in achieving organizational objectives?

(3)

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18.a) Explain the Merits and Demerits of Budgetary control.

(OR)

b) i) Prepare a Cash Budget for the months of January, February, and March 2025 from the following information:

Sales (₹):

- November 2024 – 80,000
- December 2024 – 1,00,000
- January 2025 – 1,20,000
- February 2025 – 1,40,000
- March 2025 – 1,60,000

Collection Pattern:

- 20% of sales are cash sales
- 50% collected in the month following the sale
- 30% collected in the second month following the sale

Purchases (₹):

- December 2024 – 70,000
- January 2025 – 80,000
- February 2025 – 90,000

Payment Pattern:

- Purchases are paid one month after purchase

Additional Information:

- Wages: ₹20,000 per month
- Administrative Expenses: ₹10,000 per month
- Opening Cash Balance on 1st January 2025: ₹25,000

19.a) The following are the Balance Sheets of a company as on 31st March 2024 and 31st March 2025:

Liabilities	2024	2025	Assets	2024	2025
Share Capital	2,00,000	2,50,000	Fixed Assets	2,20,000	2,80,000
General Reserve	50,000	70,000	Inventory	60,000	80,000
Profit & Loss A/c	30,000	40,000	Debtors	40,000	50,000
Creditors	40,000	60,000	Cash	20,000	10,000
Bills Payable	20,000	10,000			
Total	3,40,000	4,30,000	Total	3,40,000	4,30,000

Additional Information:

- Depreciation on Fixed Assets during the year: ₹20,000
- Dividend paid during the year: ₹30,000

Prepare a Schedule of Changes in Working Capital

Calculate Funds from Operations

Prepare a Fund Flow Statement

(OR)

b) Explain the uses of Cash flow statement for an Manufacturing Company.

20. a) From the following details, calculate:

1. Gross Profit Ratio
2. Net Profit Ratio
3. Operating Ratio
4. Current Ratio
5. Quick Ratio

Given Data (₹):

- Net Sales = 8,00,000
- Cost of Goods Sold = 5,20,000
- Operating Expenses = 1,60,000
- Net Profit = 80,000
- Current Assets = 2,00,000
- Inventory = 80,000
- Current Liabilities = 1,00,000

(OR)

b) **Income Statement Extract (₹):**

- Net Sales = 18,00,000
- Cost of Goods Sold = 10,80,000
- Operating Expenses = 3,60,000

Balance Sheet Extract (₹):

Particulars	01-04-2024	31-03-2025
Total Assets	10,00,000	14,00,000
Current Assets	3,00,000	4,00,000
Current Liabilities	1,50,000	2,00,000

Required:

1. Calculate Net Profit
2. Compute Average Total Assets
3. Calculate Asset Turnover Ratio
4. Calculate Return on Investment (ROI)
5. Calculate Current Ratio (for the year 2025)
6. Interpret the liquidity, efficiency, and profitability of the company
