



Avinashilingam Institute for Home Science and Higher Education for Women

Deemed to be University Estd. u/s 3of UGC Act 1956, Category A by MHRD [now MoE]

Re-accredited with an A++ Grade by NAAC CGPA 3.65/4, Category I by UGC

Coimbatore - 641043, Tamil Nadu, India

Continuous Internal Assessment II – October 2025

III Semester

Class : II UG
Major : B. Com (CA)

Time : 2 Hours
Max. Marks : 60

23BCCC07 Cost and Management Accounting

Course Outcomes:

- CO1: Understand the basic of Cost and Management accounting.
 CO2: Ability to determine the Cost of Products and Services.
 CO3: Critically analyze relevant costs and provide recommendations for decision making.
 CO4: Analyse the financial statements of a company.
 CO5: Prepare plans and budgets and analyze variances from standard cost to pinpoint areas that need control.

Part A

6 x 1 = 6

Choose the Correct Answer

- Liquid Ratio is equal to liquid assets divided by
 - Current Liability
 - Non-Current Liability
 - Contingent Liability
 - Total Liability

CO3K1
- The quick ratio is also known as
 - Debt Turnover Ratio
 - Acid Test Ratio
 - Solvency Ratio
 - Profitability Ratio

CO3K2
- Interest received by a finance company is classified under
 - Cash Equivalent
 - Investing Activities
 - Financing Activities
 - Cash Flow from Operating Activities

CO4K2
- Cash Flow statement is related to
 - AS - 3
 - AS - 6
 - AS - 9
 - AS - 12

CO4K3
- At Break Even Point there is
 - Profit
 - Loss
 - Income
 - No Profit No Loss

CO5K1
- The classification of fixed and variable cost is useful for the preparation of
 - Master Budget
 - Cash Budget
 - Fixed Budget
 - Flexible Budget

CO5K2

Part B

3 x 6 = 18

Answer ALL questions

Each answer should not exceed 400 words or two pages

7.(a).Following is the balance sheet of X & Co. as in 30.06.2023

CO3K1

Liabilities	Rs.	Assets	Rs.
Equity Share Capital	1,00,000	Fixed Assets	1,50,000
Reserves	25,000	Goodwill	50,000
Profit and Loss	40,000	Stock	40,000
Secured Loan	70,000	Sundry Debtors	49,000
Sundry Creditors	50,000	Advances	10,000
Bank Overdraft	30,000	Bank Balance	20,000
Provision for Taxation	20,000	Cash in Hand	
Total	3,35,000	Total	3,35,000

Calculate: (i) Current Ratio (ii) Liquid Ratio (iii) Absolute Liquid Ratio
(or)

7.(b). From the following information calculate creditors turnover ratio and average payment period: CO3K2

Particulars	Rs.
Total Purchases	4,00,000
Cash Purchases (included in above)	50,000
Purchases Return	20,000
Creditors at the end	60,000
Bills Payable at the end	20,000
Reserves for discount on creditors	5,000
Take 365 days in a year	5,000

8.(a). Difference between Fund Flow Statement and Cash Flow Statement.
(or)

CO4K3

8.(b). Find out the changes in the working capital from the balance sheet data given below:

CO4K3

	31.12.2020 Rs.	31.12.2021 Rs.
Capital and Liabilities		
Share Capabilities	3,00,000	3,75,000
Trade Creditors	1,06,000	70,000
Profit and Loss A/c	14,000	31,000
	4,20,000	4,76,000
Assets:		
Machinery	70,000	1,00,000
Stock-in-trade	1,21,000	1,36,000
Debtors	1,81,000	1,70,000
Cash	48,000	70,000
	4,20,000	4,76,000

9.(a). Bring out the requisites for a successful budgetary control system.

CO5K2

(or)

9.(b). From the following information find out the amount of profit earned during the year using the marginal costing technique

CO5K2

Particulars	
Fixed Cost	Rs. 2,50,000
Variable Cost	Rs.10 per units
Selling Price	Rs.15 per units
Output level	75,000

Part C

3 x 12 = 36

Answer ALL questions

Each answer should not exceed 800 words or four pages

10.(a). The following is the Balance Sheet of Bhubheshwara Ltd., as on 30th June, 2013:

CO3K1

Liabilities	Rs.	Assets	Rs.
Equity Share Capital	3,00,000	Fixed Assets	6,00,000
9% Preference Share Capital	1,00,000	Investments	50,000
Reserves and Surplus	50,000	Current Assets	2,50,000
10% Debentures	2,00,000		
Long – term Loans	25,000		
Current Liabilities	2,25,000		
Total	9,00,000	Total	9,00,000

You are required to calculate: (i) Debt-Equity Ratio (ii) Proprietary Ratio
(iii) Solvency Ratio (iv) Fixed Assets to Proprietors Fund Ratio (v) Fixed Assets Ratio
(vi) Current Assets to Proprietors Fund Ratio

(or)

10.(b). From the following particulars extracted from the financial statement of XYZ Ltd. Compute:

CO3K3

(a) Current Ratio (b) Liquid Ratio (c) Inventory Turnover Ratio (i) Net Sales/ Average Inventory
and (ii) Cost of goods sold/ Average Inventory (d) Debtors Turnover Ratio (e) Creditors Turnover Ratio

Particulars	Rs.	Particulars	Rs.
Opening stock	47,000	Sundry debtors	42,000
Closing stock	53,000	Cash	10,000
Sales less return	2,52,000	Bank	8,000
Provision for bad debts	2,000	Bills receivables	15,000
Sundry creditors	32,000	Provision for tax	15,000
Loose tools	4,000	Bills payable	29,000
Purchases	1,80,000	Marketable securities	8,000

- 11.(a). From the summary Cash Amount of Sunny Ltd. prepare Cash Flow Statement for the year ended 31st March, 2021 in accordance with AS-3 (Revised) using the direct method. The company does not have any cash equivalents. CO4K3

Particulars	Rs.	Particulars	Rs.
Balance on 1.4.2010	1,00,000	Payment of suppliers	40,00,000
Issue of equity shares	6,00,000	Purchase of fixed assets	4,00,000
Receipts from customers	56,00,000	Overhead expenses	4,00,000
Sale of fixed assets	2,00,000	Wage and salaries	2,00,000
		Taxation	5,00,000
		Dividend	1,00,000
		Repayment of bank loan	6,00,000
		Balance on 31.3.2021	3,00,000

(or)

- 11.(b). The following are the Balance Sheets of Paschim Corporation Ltd., as on 31st December 2019 and 2020. CO4K2

Liabilities	2019 Rs.	2020 Rs.	Assets	2019 Rs.	2020 Rs.
11% Cumulative Preference Shares		30,000	Land and Buildings	60,000	50,000
Equity Shares	1,10,000	1,20,000	Plant and Machinery	30,000	50,000
General Reserves	4,000	4,000	Sundry Debtors	40,000	48,000
Profit & Loss A/C	2,000	2,400	Stock	60,000	70,000
9% Debentures	12,000	14,000	Bank	2,400	7,000
Provision for Taxation	6,000	8,400	Cash	600	1,000
Proposed Dividend	10,000	11,600			
Current Liabilities	49,000	35,600			
Total	1,93,000	2,26,000	Total	1,93,000	2,26,000

- 12.(a). The sales turnover and profit during two years were as follows:

CO5K2

Year	Sales(Rs.)	Profit(Rs.)
2022	1,40,000	15,000
2023	1,60,000	20,000

Your are required to calculate:

- P/V ratio
- Sales required to earn a profit of Rs.40,000
- Profit when sales are Rs.1,20,000

(or)

- 12.(b) Mr. Atulya manufactures two types of toys Raja and Rani and sells them in Agra and Bombay markets .The following information is made available for the current year: CO5K3

Market	Types	Budgeted Sales	Actual Sales
Agra	Raja	400 at Rs.9 each	500 at Rs.9 each
	Rani	300 at Rs.21 each	200 at Rs.21 each
Bombay	Raja	600 at Rs.9 each	700 at Rs.9 each
	Rani	500 at Rs.21 each	400 at Rs.21 each

Market studies reveal that toy Raja is popular as it is under priced. It is observed that if its price is increased by Re.1 it will find readymade market. On the other hand, Rani is over-priced and the market could absorb more sales if its selling price is reduced to Rs.20.The management has agreed to give effect to the above price changes

On the above basis the following estimates have been prepared by sales manager:

Product	% increases in sales	Over current budget
	Agra	Bombay
Raja	+10%	+5%
Rani	+20%	+10%

With the help of an intensive advertisement campaign ,the following additional sales above the estimated sales of sales manages as possible:

Product	Agra	Bombay
Raja	60 units	70 units
Rani	40 units	50 units

You are required to prepare a budget for the sales incorporating the above estimates .