

S.D.E.

M. Com. Part-II : SUMMER - 2019
SUBJECT : MANAGEMENT ACCOUNTING

Day : Tuesday
Date : 09/04/2019

S-2019-4738

Time : 03.00 PM TO 06.00 PM
Max. Marks : 80

N.B:

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Answers to both the sections should be written in **SAME** answer book.

SECTION – I

Q.1 What is meant by 'Management Accounting'. Explain its main objectives and limitations. **(16)**

OR

- a) Distinguish between Cost Accounting and Management Accounting. **(08)**
- b) What is 'Ratio Analysis'? Explain its importance. **(08)**

Q.2 Distinguish between Fund Flow and Cash Flow Statements. Bring out their uses for management. **(16)**

OR

From the following Balance Sheet of Bokaro Ltd., Bandra you are required to prepare statement showing changes in Working Capital and Funds Flow Statement.

Balance Sheet of Bokaro Ltd., Bandra

Particulars	2011 ₹	2012 ₹	Particulars	2011 ₹	2012 ₹
Share Capital (Equity)	3,00,000	3,50,000	Fixed Assets (Net)	5,00,000	6,10,000
9% Pref. Share Capital	2,00,000	1,00,000	Investments	30,000	80,000
8% Debentures	1,00,000	2,00,000	Sundry Debtors	2,40,000	3,75,000
Reserves	1,00,000	2,60,000	Discount on Issues of Debentures	10,000	5,000
Provision for Doubtful Debts	10,000	15,000			
Sundry Creditors	70,000	1,45,000			
	7,80,000	10,70,000		7,80,000	10,70,000

The provision for depreciation stood at ₹ 1,40,000 on 31st March 2011 and ₹ 1,80,000 on 31st March 2012. During the year

- 1) A machine costing ₹ 70,000 (Book value ₹ 40,000) was disposed off ₹ 25,000.
- 2) Preference share redemption was carried out at a premium of 10%.
- 3) Dividend @ 20% was paid on equity shares for the year 2011.

P.T.O.

SECTION – II

Q.3 'The technique of Marginal Costing is valuable aid to Management'. (16)
Comment.

OR

You are given the following data:

Year	Sales ₹	Profit ₹
2009	1,20,000	9,000
2010	1,40,000	13,000

Assuming that the cost structure and selling price remain unchanged in the two years, find out:

- 1) P/V ratio
- 2) Break-Even-Point
- 3) Profit when sales are ₹ 1,00,000.
- 4) Sales required to earn a profit of ₹ 20,000.

Q.4 Discuss one of the following two methods and explain its salient features : (16)

- 1) Pay Back Method
- 2) Return on Investment Methods

OR

The following information is given:

Standard Quantity	500 Units
Actual Quantity	520 Units
Standard Price	₹ 5 per unit
Actual Price	₹ 5.50 per unit

Calculate Material Variances:

- 1) Material Cost Variance
- 2) Material Price Variance
- 3) Material Usage Variance

Q.5 Write notes on any **FOUR** of the following: (16)

- a) Functions of Management Accountants
- b) Labour Cost Variances
- c) Margin of Safety
- d) Limitations of Budgetary Control
- e) Accounts Receivable Management
- f) Types of Standards