

**MASTER OF COMMERCE (CBCS - 2018 COURSE)**  
**M.Com. Sem-III :SUMMER- 2022**  
**SUBJECT : MANAGEMENT ACCOUNTING-I**

Day : Saturday  
Date : 2/7/2022

**S-18535-2022**

Time : 03:00 PM-06:00 PM  
Max. Marks : 60

**N. B.:**

- 1) All questions are **COMPULSORY**.
- 2) Figures to the **RIGHT** indicate full marks.
- 3) Use of **CALCULATOR** is allowed.

**Q.1** What is 'Management Accounting'? Explain duties and responsibilities of Management Accountant. [16]

**OR**

- a) Explain objectives of Management Accounting. [08]
- b) What are the qualifications of Management Accountant? [08]

**Q.2** What is 'Ratio Analysis'? Explain different types of Ratios. [16]

**OR**

India Ltd. submits the following profit and loss account for the year ended 31<sup>st</sup> March 2020.

Profit and Loss Account for the year ended 31/03/2020

Particulars	Rs.	Particulars	Rs.
To Opening Stock	52,00,000	By Sales	3,20,00,000
To Purchase	1,60,00,000	By Closing Stock	76,00,000
To Wages	48,00,000		
To Manufacturing Expenses	32,00,000		
To Gross Profit c/d	1,04,00,000		
	<b><u>3,96,00,000</u></b>		<b><u>3,96,00,000</u></b>
To Selling Expenses	8,00,000	By Gross Profit b/d	1,04,00,000
To Administration Expenses	45,60,000	By Profit on Sale of Shares	9.60,000
To Loss by Fire	2,40,000		
To Loss on Sale of Furniture	1,60,000		
To Net Profit c/d	56,00,000		
	<b><u>1,13,60,000</u></b>		<b><u>1,13,60,000</u></b>

Calculate :

- a) Gross Profit Ratio
- b) Net Profit Ratio
- c) Operating Ratio
- d) Stock Turnover Ratio

**P.T.O.**

**Q.3** What is 'Working Capital'? Explain objective and importance of working capital. [16]

**OR**

From the following Balance sheet of Bijali Ltd. you are required to prepare

- i) Statement showing changes in working capital
- ii) Fund flow statement

**Balance sheet of Bijali Ltd.**

<b>Liabilities</b>	<b>2018-19</b>	<b>2019-20</b>	<b>Assets</b>	<b>2018-19</b>	<b>2019-20</b>
Share Capital (Equity)	3,00,000	3,50,000	Fixed asset (Net)	5,00,000	6,10,000
9% pref. Share Capital	2,00,000	1,00,000	Investment	30,000	80,000
8% Debentures	1,00,000	2,00,000	Current Assets	2,40,000	3,75,000
Reserve	1,00,000	2,60,000	Discount on issue of Debentures	10,000	5,000
Provision for doubtful debt	10,000	15,000			
Current Liabilities	70,000	1,45,000			
	<b><u>7,80,000</u></b>	<b><u>10,70,000</u></b>		<b><u>7,80,000</u></b>	<b><u>10,70,000</u></b>

- i) The provision for depreciation stood at Rs. 1,40,000 on 31<sup>st</sup> March 2019 and Rs. 1,80,000 on 31<sup>st</sup> March 2020
- ii) A machine costing Rs. 70,000 (Book value Rs. 40,000) was disposed off Rs. 25,000
- iii) Preference share redemption was carried out at a premium of 10% on 1-4-2019.
- iv) Dividend at 20% was paid on equity shares for the year 2018-19

**Q.4** Write short notes on **ANY THREE** of the following: [12]

- a) Importance of cash flow statement
- b) Importance of Ratios
- c) Internal source of working capital
- d) Liquid Ratio
- e) Limitations of management Accounting

\* \* \* \* \*