

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

Day : Tuesday

Time : 10:00 AM-01:00 PM

Date : 27-12-2022

**W-18535-2022**

Max. Marks : 60

**N.B.**

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of non programmable calculator is allowed.

**Q.1** Define 'Management Accounting?' How it differ from Financial Accounting. (16)

**OR**

- a) Explain scope of Management Accounting? (08)
- b) Discuss role of Management Accounting in decision making. (08)

**Q.2** What is Ratio Analysis? Explain different types of Ratio Analysis. (16)

**OR**

Following is the Balance Sheet of Satara Ltd. as on 31<sup>st</sup> March 2019.

<b>Liabilities</b>	<b>2019</b>	<b>Assets</b>	<b>2019</b>
Equity Share capital	20,000	Goodwill	12,000
Capital Reserve	4,000	Fixed Asset	28,000
7% Loan on mortgage	16,000	Stock	6,000
Trade creditors	8,000	Debtors	6,000
Bank overdraft	2,000	Investment	2,000
Taxation (Current)	2,000	Cash in hand	6,000
<b>Profit &amp; Loss A/c</b>			
Profit 2019 after taxation and interest on fixed deposit	12,000		
(-) Transfer to reserve	<u>4,000</u>		
	<b>60,000</b>		<b>60,000</b>

Calculate:

- 1) Current ratio
- 2) Liquid ratio
- 3) Equity ratio
- 4) Debt to equity ratio

P.T.O.

**Q.3** What is Cash Flow Analysis? Explain the difference between Cash Flow Statement and Fund Flow Statement. **(16)**

**OR**

The following are summarized Balance Sheet of Neelkamal Ltd. as on 31<sup>st</sup> March 2018 and 2019.

<b>Liabilities</b>	<b>2018</b>	<b>2019</b>	<b>Assets</b>	<b>2018</b>	<b>2019</b>
Share capital	2,00,000	2,50,000	Land and building	2,00,000	1,90,000
General Reserve	50,000	60,000	Plant	1,50,000	1,74,000
Profit and Loss	30,500	30,600	Debtors	80,000	64,200
Bank loan (short term)	70,000	-	Stock	1,00,000	74,000
Creditors	1,50,000	1,35,200	Cash	500	600
Provisions for taxation	30,000	35,000	Bank	-	8,000
	<b>5,30,500</b>	<b>5,10,800</b>		<b>5,30,500</b>	<b>5,10,800</b>

Additional Information:

- Depreciation was written off on plant ₹ 14,000 in 2019.
  - Dividend of ₹ 20,000 was paid during 2019.
  - Income tax provision made during the year was ₹ 25,000.
  - A piece of land has been sold during the year at cost.
- You are required to prepare fund flow statement and statement of changes in working capital.

**Q.4** Write short notes on any **THREE** of the following: **(12)**

- Current ratio
- Trend percentage
- Utility of fund flow statement
- Working capital
- Limitation of Management Accounting

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