

NRT/KS/19/5506

## Bachelor of Commerce (B.Com.) Semester-VI Examination

## MANAGEMENT ACCOUNTING

## Compulsory Paper—2

Time : Three Hours]

[Maximum Marks : 80

N.B. :— (1) ALL questions are compulsory.

(2) All questions carry equal marks.

1. (A) Explain the role of Management Accounting. 8

(B) The following data are obtained from the records of 'XYZ' Company :

Sales	Rs. 4,00,000
Variable Cost	60% of Sales
Fixed Cost	20% of Sales

You have to calculate :

- (1) Break Even Point
- (2) Profit Volume Ratio
- (3) Required Sales to Earn Profit of Rs. 2,40,000
- (4) Profit from the Sales of Rs. 6,60,000. 8

OR

(C) Bata Company submitted following information :

Particulars	2017	2018
Sales	1,20,000	2,00,000
Fixed Cost	20,000	40,000
Variable Cost	60,000	80,000

Find out :

- (i) Break even point for both years
- (ii) Profit volume for ratio both years
- (iii) Margin of safety for both years
- (iv) Prepare statement of marginal cost for both years. 16

2. (A) State the advantages of budgetary control. 8

(B) From the following forecast of income and expenditure, prepare a cash budget for the months commencing 1<sup>st</sup> June, when the bank balance was Rs. 1,00,000.

Months	Sales	Purchases	Wages	Factory Exp.	Adm. and Selling Exp.
	Rs.	Rs.	Rs.	Rs.	Rs.
April	80,000	41,000	5,600	3,900	10,000
May	76,500	40,500	5,400	4,200	14,000
June	78,500	38,500	5,400	5,100	15,000
July	90,000	37,000	4,800	5,100	17,000
August	95,000	35,000	4,700	6,000	13,000

A sales commission of 5% on sales, due two months after sales is payable in addition to selling expenses. Plant valued at Rs. 65,000 will be purchased and paid for in August, and the dividend for the last financial year of Rs. 15,000 will be paid in July. There is two months credit period allowed to customers and received from suppliers. All the expenses are payable in the next month. 8

**OR**

(C) Reliance Company Ltd. submits the following information for the three months. From that prepare the flexible budget for the capacity 60%, 80%, 90% and 100%.

<b>Particulars</b>	<b>Rs.</b>
1. Fixed Cost	
(a) Management salary	42,000
(b) Rent and taxes	28,000
(c) Depreciation of machine	35,000
(d) Sundry office expenses	44,000
2. Semi-Variable Exps.	
(at 50% capacity)	
(a) Maintenance of machine	12,500
(b) Indirect wages	49,500
(c) Selling agent salary	14,500
(d) Sundry expenses	13,000
3. Variable Expenses	
(at 50% capacity)	
(a) Material	1,20,000
(b) Wages	1,28,000
(c) Commission of selling agent	19,000

Semi-Variable Expenses will remain constant between 40% and 70% capacity of Production. It will increase by 10% between the capacity 70% and 85%, Increase by 15% between the capacity 85% and 100%.

Fixed Expenses will remain constant at all capacities of production. Sales at various levels are :

<b>Capacity</b>	<b>Sales (in Rs.)</b>
60%	6,10,000
80%	7,80,000
90%	9,00,000
100%	9,50,000

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3. (A) What is Operating Ratio ? How it is calculated ? 8
- (B) Trading and P & L A/c of Prasad & Co. for the year ending 31<sup>st</sup> March, 2008 is given below :

**Trading and P & L A/c**

Particulars	Rs.	Particulars	Rs.
To Opening Stock	4,00,000	By Sales	32,00,000
To Purchase	24,00,000	By Dividend	9,000
To Manufacturing Expenses	80,000	By Closing Stock	5,40,000
To Administrative Expenses	1,68,000		
To Selling Expenses	1,60,000		
To Financial Expenses	20,000		
To Net Profit	5,21,000		
	37,49,000		37,49,000

**Compute :**

- (1) Stock Turnover Ratio
- (2) Gross Profit Ratio
- (3) Net Operating Profit Ratio
- (4) Net Profit Ratio. 8

**OR**

- (C) The following figures relate to the Trading Activities of Joy Hind Traders Limited for the year ended 31<sup>st</sup> March, 2018 :

Particulars	Rs.
(i) Sales	5,20,000
(ii) Purchases	3,22,250
(iii) Opening Stock	76,250
(iv) Closing Stock	98,500
(v) Sales Returns	20,000
(vi) Selling and Distribution Exp.	
(a) Salaries	15,300
(b) Advertising	4,700
(c) Travelling	2,000

<b>Particulars</b>	<b>Rs.</b>
(vii) Administrative Expenses	
(a) Salaries	27,000
(b) Rent	2,700
(c) Stationery, Postage etc.	2,500
(d) Depreciation	9,300
(e) Other Charges	16,500
(viii) Provision for Taxation	40,000
(ix) Non-Operating Income :	
(a) Dividend on Share	9,000
(b) Profit on Sales of Share	3,000
(x) Non-Operating Expenses	
(a) Loss on Sale of Assets	4,000

You are required to :

(a) Arrange the above figures in a form suitable for analysis.

(b) Show separately the following ratios :

(i) Gross Profit Ratio

(ii) Operating Ratio

(iii) Operating Profit Ratio

(iv) Net Profit Ratio.

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4. (A) Write importance and limitations of Working Capital.

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(B) From the following information of Pramod Co. Ltd. as on 2017 and 2018, prepare a statement of changes-in-working capital.

<b>Liabilities</b>	<b>2017</b>	<b>2018</b>	<b>Assets</b>	<b>2017</b>	<b>2018</b>
Share Capital	2,00,000	1,90,000	Goodwill	60,000	75,000
General Reserve	80,000	96,000	Building	3,00,000	2,80,000
Profit and Loss A/c	1,60,000	1,44,000	Plant	86,000	55,000
Creditors	82,000	67,000	Investment	45,000	48,000
Bills Payable	78,000	63,000	Stock	78,000	62,000
Bank Loan (long term)	34,000	56,000	Bill Receivable	20,000	32,000
Provision for doubtful debts	4,000	6,000	Debtors	25,000	27,000
			Cash Bank	14,000	34,000
			Preliminary Expenses	10,000	9,000
	6,38,000	6,22,000		6,38,000	6,22,000

8

**OR**

(C) From the following information of Sonali as on 2016 and 2017, prepare Statement of Sources and Application of Funds and Schedule of Changes in Working Capital :

Particulars	2016	2017
	Rs.	Rs.
<b>Assets</b>		
Cash	1,50,000	90,000
Debtors	2,35,000	2,50,000
Stock	3,60,000	4,20,000
Long term investment	55,000	—
Fixed assets	4,47,500	7,30,000
Goodwill	50,000	—
	12,97,500	14,90,000
<b>Liabilities</b>		
Creditors	3,12,000	2,91,000
Short term liabilities	1,63,000	1,49,000
Bills payable	70,000	80,000
Mortgages loan	1,05,000	1,50,000
Share capital	5,00,000	6,50,000
Retained income	1,47,500	1,70,000
	12,97,500	14,90,000

**Additional information :**

- (1) Depreciation on Machinery Rs. 15,000.
- (2) Goodwill was written off from retained income.
- (3) Dividend of Rs. 30,000 paid during the year.
- (4) Depreciation on building Rs. 50,000.

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5. (A) Find out 'Profit Volume Ratio' and 'Contribution' for 2018 :

Year	Sales	Profit	Loss
	Rs.	Rs.	Rs.
2017	2,00,000	—	25,000
2018	4,00,000	55,000	—

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(B) Given the sales from January to June. Find cash receipt April, May and June :

<b>Month</b>	<b>Sales (Rs.)</b>
January	96,000
February	89,600
March	1,02,400
April	1,28,000
May	1,34,400
June	1,21,600

50% amount of cash sales will be recovered in same month and balance credit amount recovered in the next month. 4

(C) Given :

Sales Rs. 12,00,000

Opening Stock is Rs. 1,50,000

Closing Stock is Rs. 1,80,000

Calculate Stock Turnover Ratio. 4

(D) Given the following information, find out Purchase of Machinery A/c :

(1) Opening Balance of Machinery Rs. 39,000.

(2) Closing Balance of Machinery Rs. 54,000.

(3) A machine with a book value Rs. 5,000 was sold during the year for Rs. 6,000.

(4) Depreciation on Machinery was Rs. 3,000. 4

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(मराठी माध्यम)

- |    |  |    |
|----|--|----|
| 1. | (अ) प्रबंधन लेखांकनाची भूमिका स्पष्ट करा.                | 8  |
|    | (ब) इंग्रजी माध्यमानुसार.                                | 8  |
|    | किंवा  |    |
|    | (क) इंग्रजी माध्यमानुसार.                                | 16 |
| 2. | (अ) अंदाजपत्रक नियंत्रणाचे फायदे सांगा.                  | 8  |
|    | (ब) इंग्रजी माध्यमानुसार.                                | 8  |
|    | किंवा  |    |
|    | (क) इंग्रजी माध्यमानुसार.                                | 16 |
| 3. | (अ) परिचालन अनुपात म्हणजे काय ? ते कसे आगणीत केले जाते ? | 8  |
|    | (ब) इंग्रजी माध्यमानुसार.                                | 8  |
|    | किंवा  |    |
|    | (क) इंग्रजी माध्यमानुसार.                                | 16 |
| 4. | (अ) कार्यशील पुंजीचे महत्व व मर्यादा स्पष्ट करा.         | 8  |
|    | (ब) इंग्रजी माध्यमानुसार.                                | 8  |
|    | किंवा  |    |
|    | (क) इंग्रजी माध्यमानुसार.                                | 16 |
| 5. | (अ) इंग्रजी माध्यमानुसार.                                | 4  |
|    | (ब) इंग्रजी माध्यमानुसार.                                | 4  |
|    | (क) इंग्रजी माध्यमानुसार.                                | 4  |
|    | (ड) इंग्रजी माध्यमानुसार.                                | 4  |

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(हिन्दी माध्यम)

1. (अ) प्रबंधन लेखांकन की भूमिका (Role) स्पष्ट कीजिये। 8  
(ब) अंग्रेजी माध्यम के अनुसार। 8
- अथवा
- (क) अंग्रेजी माध्यम के अनुसार। 16
2. (अ) अंदाजपत्रक नियंत्रण के फायदे लिखिये। 8  
(ब) अंग्रेजी माध्यम के अनुसार। 8
- अथवा
- (क) अंग्रेजी माध्यम के अनुसार। 16
3. (अ) परिचालन अनुपात याने क्या ? वह किस प्रकार आगणित किया जाता है ? 8  
(ब) अंग्रेजी माध्यम के अनुसार। 8
- अथवा
- (क) अंग्रेजी माध्यम के अनुसार। 16
4. (अ) कार्यशील पूंजी के महत्व तथा मर्यादा स्पष्ट कीजिये। 8  
(ब) अंग्रेजी माध्यम के अनुसार। 8
- अथवा
- (क) अंग्रेजी माध्यम के अनुसार। 16
5. (अ) अंग्रेजी माध्यम के अनुसार। 4  
(ब) अंग्रेजी माध्यम के अनुसार। 4  
(क) अंग्रेजी माध्यम के अनुसार। 4  
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