Exam. Code : 121105
Subject Code : 502069

B.Com. 5th Semester (Batch 2023-26) (CBGS)

MANAGEMENT ACCOUNTING

Paper–BCO05005T

Time Allowed—3 Hours] [Maximum Marks—100

Note :— Attempt **FIVE** questions in all, selecting at least **ONE** question from each section. The fifth question may be attempted from any section. All questions carry equal marks.

SECTION—A

1. Give nature and scope of management accounting. How is it different from cost accounting?

2. (A) From the following information calculate Stock Turnover Ratio:

   Revenue from operations = Rs. 3,00,000

   Gross Profit = 25% on cost of revenue from operations

   Opening stock = 1/3rd of the value of closing stock

   Closing stock = 30% of revenue from operations

(B) Calculate current assets of a company from the following:

(a) Stock turnover = 4 times

(b) Stock at the end is Rs. 20,000 more than stock in the beginning

(c) Sales = Rs. 300,000

(d) Gross Profit Ratio = 25%

(e) Current Liabilities = Rs. 40,000

(f) Quick Ratio = 0.75

SECTION—B

3. Define the term 'fund' and 'flow' in respect of Fund Flow Statement. How is fund flow statement prepared?

4. Prepare a cash flow statement from the following information:

	31-03-2020 Rs.	31-03-2021 Rs.
Equity and Liabilities :		
Share Capital	1,10,000	1,70,000
General Reserve	4,000	10,000
Statement of Profit & Loss	1,00,000	1,20,000
Creditors	5,000	3,000
Bills Payable	15,000	25,000
	2,34,000	**3,28,000**

	31-03-2020	31-03-2021
	Rs.	Rs.
Assets :		
Goodwill	50,000	30,000
Building	40,000	90,000
Machinery	49,000	98,000
Debtors	15,000	20,000
Cash	80,000	90,000
	2,34,000	**3,28,000**

Depreciation provided during the year on machinery was Rs. 10,000.

SECTION—C

5. (A) What is Break Even Chart? How is it prepared?

   (B) What is P/V Graph? How is it prepared?

6. A firm having a capacity of 15,000 units per annum produces 10,000 units which are consumed in the home market at Rs. 25 per unit. The cost per unit is as under:

	Rs.
Materials	8.00
Labour	6.00

Fixed Factory Expenses	2.00
Variable Factory Expenses	1.50
Office Expenses	1.00
Fixed Selling Expenses	0.50
Variable Selling Expenses	1.00
Total	**20.00**

(i) A foreign customer is interested in the product but he is willing to buy only 5,000 units and that too at a price of Rs. 18 per unit. Do you recommend the firm to accept the order?

(ii) What will be your advice if in the above case:

(a) The new customer is not foreigner

(b) The price offered is Rs. 15 per unit

(c) The foreign customer is unwilling to buy less than 8,000 units, the price per unit being Rs. 22.

SECTION—D

7. What is Transfer Pricing? Explain various methods of transfer pricing.

8. What is responsibility accounting? Give features, assumptions and basic principles of responsibility accounting.