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Id No 54095

Total No. of Sheets used :- 3

Set No. :- 1

Name of Course/Sem:- B.Com VI Semester Batch 2018

Paper Code :- BC- 601

Nomenclature of the Paper :– Management Accounting

Option No…………

Time :- 3Hrs

Max. Marks:- 80

Serial No. of question in Roman numerals e.g. I.II.III etc.	Note: Question No. 1 comprising of five short type questions carrying 4 marks each is compulsory. Attempt four questions from the remaining eight questions carrying 15 marks each. *Use of simple calculator is allowed.*	Marks allotted to each question in figures e.g. arithmetical 1,2,3 etc.
	Compulsory Question	
1. (a)	Explain the operating functions of management accounting. प्रबंधन लेखांकन के संचालन कार्यों की व्याख्या करें।	4
(b)	What are fictitious assets? फर्जी संपत्तियां क्या हैं?	4
(c)	Ratio analysis has some limitations: Explain अनुपात विश्लेषण की कुछ सीमाएँ हैं : व्याख्या करें	4
(d)	Explain the duties of a treasurer. कोषाध्यक्ष के कर्तव्यों की व्याख्या कीजिए।	4
(e)	What are essentials of good information system? अच्छी सूचना प्रणाली के अनिवार्य तत्व क्या हैं?	4
2.	Using the following details, prepare the Balance sheet of AB Ltd. (a) Current Ratio 2.75 (b) Acid ratio 2.25 (c) Working capital 7,00,000 (d) Reserves and surplus 1,00,000 (e) Total current assets include stock, debtors and cash only which are in the ratio of 2:6:3 (f) Total current liabilities include creditors and bills payable in the ratio 3:2 (g) Fixed assets are 50% of share capital (h) The share capital is Rs.12,00,000. There are no other items of Assets and Liabilities.	15
3.	What is the role of Management accounting in decision Making? निर्णय लेने में प्रबंधन लेखांकन की क्या भूमिका है?	15

Serial No.	Sheet No. 2	Marks allotted

4. Balance Sheet of AB Ltd. as on 31st March 2019 and 2020 are as follows:

Labilities	Amount *31.3.2019*	Amount *31.3.2020*	Assets	Amount *31.3.2019*	Amount *31.3.2020*
Share Capital	20,00,000	20,00,000	Land & Building	15,00,000	14,00,000
General Reserve	4,00,000	4,50,000	P&M	18,00,000	17,50,000
P&L A/C	2,50,000	3,60,000	Investment	4,00,000	3,72,000
10% Debenture	10,00,000	8,00,000	Stock	4,80,000	8,50,000
Bank Loan (Long term)	5,00,000	6,00,000	Debtors	6,00,000	7,98,000
Creditors	4,00,000	5,80,000	Prepaid Exp.	50,000	40,000
Out. Exp.	20,000	25,000	Cash & Bank	1,40,000	85,000
Prop. Dividend	3,00,000	3,60,000			
Prov. For Tax.	1,00,000	1,20,000		…………	…………
	49,70,000	52,95,000		49,70,000	52,95,000

Additional Information's:-

(i) New Machinery for Rs.3,00,000 was purchased but an old machinery costing Rs.1,45,000 was sold for Rs.50,000 and accumulated depreciation was Rs.75,000.

(ii) 10% debentures were redeemed at 20% premium.

(iii) Investment was sold for Rs.45,000, and its profit was transferred to general reserve.

(iv) Income tax paid during the year 2019-20 was Rs.80,000.

(v) An interim dividend of Rs.1,20,000 has been paid during the year 2017-18.

(vi) Investment is non-trade investment

You are required to prepare: -

(a) Schedule of changes in working capital

(b) Fund Flow Statement 15

5. The Balance Sheet of X Ltd. as at 31st March 2017 and 2018 are given below:

Particulars	31.3.2017	31.3.2018
Share Capital	4,00,000	5,00,000
Capital Reserve	---------	20,000
General Reserve	1,80,000	2,10,000
Debentures	3,00,000	2,00,000
Profit and Loss	70,000	90,000
Current Liabilities	1,30,000	1,20,000
Provision for Income Tax	80,000	60,000
Proposed Divided	40,000	50,000
	12,00,000	12,50,000
Fixed Assets at Cost	10,00,000	10,00,000
Less: Depreciation	2,60,000	3,10,000
	7,40,000	6,90,000
Trade Investments	1,10,000	90,000
Cash and Bank	50,000	40,000
Other Current Assets	2,70,000	4,10,000
Preliminary Expenses	30,000	20,000
	12,00,000	12,50,000

During the year ended 31st March 2018, the company:

(1) Sold one machine for Rs.40,000 the cost of which was Rs.80,000 and the depreciation provided on it was Rs.30,000

(2) Provided Rs.1,00,000 as depreciation

(3) Redeemed the debentures at Rs.105

(4) Sold some trade investments at a profit which was credited to capital reserve.

(5) Decided to write off fixed assets duly depreciated costing Rs.20,000

(6) Provisions for income-tax and proposed divided as on 31-3-2017 were paid during the year ended 31.3.2018

You are required to prepare Cash flow statement showing working notes. 15

6. Explain Financial Statements. What are the objectives and limitations of Financial Statements? 15

वित्तीय विवरणों की व्याख्या कीजिए। वित्तीय विवरणों के उद्देश्य और सीमाएँ क्या हैं?

7. What is Reporting. Explain the essentials of an ideal report. 15

रिपोर्टिंग क्या है। एक आदर्श रिपोर्ट की अनिवार्यताओं की व्याख्या करें।

8. Financial statements of R.P Engineering works are summarized below:

Balance Sheet

(as at 31st March,2019)

Liabilities		Amount	Assets	Amount
Share capital	7,00,000		Fixed assets	5,50,000
Add: Balance of Profit	50,000		Inventories	1,55,000
Profit (2018-19)	70,000	8,20,000	Trade receivables	80,000
Bank O/D		35,000		
Trade Payable		1,50,000	Cash in Hand	2,20,000
		10,05,000		10,05,000

Trading & Profit and Loss A/c

(for the year ended 31st March,2019)

To opening Stock	1,45,000	By Sales	7,50,000
To Purchase	6,10,000		
To Gross Profit c/d	1,50,000	By Closing Stock	1,55,000
	9,05,000		9,05,000
To Operating Exp.	80,000	By Gross Profit b/d	1,50,000
To Net Profit	70,000		....
	1,50,000		1,50,000

Calculate the following ratios:

(a) Current Ratio (b) Quick Ratio

(c) Gross Profit Ratio (d) Trade Receivables Turnover

(e) Inventory Turnover 15

9. What is the difference between Management Accounting and Financial Accounting? 15

प्रबंधन लेखांकन और वित्तीय लेखांकन के बीच अंतर क्या है?