

Exam. Code : 108505

Subject Code : 2131

**B.Com. 5<sup>th</sup> Semester**  
**MANAGEMENT ACCOUNTING**

**Paper—BCG—503**

Time Allowed—3 Hours]

[Maximum Marks—50

**SECTION—A**

**Note :—** Attempt any **TEN** questions. Each carries **1** mark.

1. Write notes on the following :

- (i) Scope of Management Accounting
- (ii) External Users of Accounting Information
- (iii) Limitations of Financial Accounting
- (iv) Investment Centre
- (v) Relationship between Organisation Structure and Responsibility Accounting
- (vi) Net Profit Ratio
- (vii) Uses of fund flow statement
- (viii) Operate or Shut down decisions
- (ix) Capital employed
- (x) Negotiated Price
- (xi) Common Size Statement
- (xii) Cost Driver. 10×1

## SECTION—B

**Note** :— Attempt any **TWO** questions. Each carries **10** marks.

2. Highlight the major differences between Financial and Cost Accounting.
3. Write a detailed note on different methods of financial analysis.
4. Using the following information, complete the Balance Sheet given below :

(i) Total debt to net worth 1 : 2

(ii) Total assets turnover 2

(iii) Gross Profit on Sales 30%

(iv) Average Collection Period (Assume  
360 days in a year) 40 days

(v) Inventory Turnover Ratio based on  
COGS and year-ended inventory 3

(vi) Acid Test Ratio 0.75

5. What is the importance of preparing a Cash Flow Statement ? How is it prepared as per AS-3 Norms ?  
10×2

## SECTION—C

**Note** :— Attempt any **TWO** questions. Each carries **10** marks.

6. Write a detailed note on concept and significance of Responsibility Accounting.

7. From the following data, you are required to calculate break-even point and net sales value at this point :

- |  |            |
|--|------------|
| (i) Direct material cost per unit              | Rs. 10     |
| (ii) Direct labour cost per unit               | Rs. 5      |
| (iii) Fixed overhead                           | Rs. 50,000 |
| (iv) Variable overheads @ 60% on direct labour |            |
| (v) Selling price per unit                     | Rs. 25     |
| (vi) Trade discount                            | 4%         |

If sales are 10% and 25% above the break even volume, determine the net profits.

8. Explain the various methods of transfer pricing.

9. What is Activity Based Costing ? How is it different from traditional costing ? 10×2