

U.G. 4th Semester Examinations 2022

COMMERCE (Honours)

Paper Code : COMM H DC 9

Management Accounting-II

Full Marks : 32

Time : Two Hours

*The figures in the margin indicate full marks.
Candidates are required to give their answers
in their own words as far as practicable.*

Answer the following questions.

1. What do you mean by Responsibility Accounting? Mention any two features of responsibility accounting? 2+2

Or

What is cost centre and cost unit? 2+2

2. What do you mean by Operating Cycle? What is variable and fixed working capital? What are the factors that determine the requirements for working capital? 2+3+5

Or

A proforma of Cost Sheet of a company provides the following particulars :

Elements of Cost

Material	40%
Direct Labour	20%
Overheads	20%

The following further particulars are available :

- It is proposed to maintain a level of activity of 2,00,000 unit.
- Selling price is Rs. 12/- per unit.
- Raw materials are expected to maintain in store for an average period of one month.
- Material will be in progress, on average half a month and is assumed to be consisting of 50% raw material, wages and overheads.
- Finished goods are required to be in stock for an average period of one month.

- (f) Credit allowed to debtors is two months.
 (g) Credit allowed by suppliers is one month.

You are required to prepare a statement of working capital requirements. 10

3. ABC Ltd. provides you the following information :

Cash sales during the year	Rs. 1,50,000
Credit sales during the year	Rs. 2,70,000
Returns inward	Rs. 20,000
Trade debtors in the beginning	Rs. 55,000
Trade debtors at the end	Rs. 45,000
Provision for bad and doubtful debts	Rs. 5,000

Calculate :

Debtors Turnover Ratio and Average Collection Period. 8

Or

What is Just In Time (JIT) Inventory Control System? Mention the advantages of JIT Inventory Control System. 3+5

4. From the following information from the books of S & M Ltd., compute :

- (a) Current ratio
 (b) Acid test ratio
 (c) Stock turnover ratio
 (d) Debtors turnover ratio
 (e) Creditors turnover ratio and
 (f) Average debt collection period

Particulars	01.04.2021 (Rs.)	31.03.2022 (Rs.)
Bills receivable	15,000	30,000
Bills payable	30,000	15,000
Sundry debtors	60,000	75,000
Sundry creditors	37,500	52,500
Stock in trade	48,000	72,000

Additional Information :

On 31.03.2022 there were assets—Building Rs. 1,00,000; Cash Rs. 60,000; Cash at Bank Rs. 48,000.

Cash purchase Rs. 69,000 and return outwards Rs. 9,000

Cash sales Rs. 75,000 and return inwards Rs. 3,000

Rate of gross profit 25% on sales and actual gross profit was Rs. 75,000. 10

Or

What do you mean by Fund?

Calculate fund from operations from the information given below as on 31.03.2022 :

- (a) Net profit for the year ended 31st March 2022, Rs. 6,50,000.
- (b) Gain on the sale of building Rs. 35,500.
- (c) Goodwill appears in the books at Rs. 1,80,000 out of the 10% has been written off during the year.
- (d) Old machinery worth Rs. 8,000 has been sold for Rs. 6,500 during the year.
- (e) Rs. 1,25,000 has been transferred to General Reserve Fund.
- (f) Depreciation has been provided during the year on machinery and furniture at 20% whose total cost is Rs. 6,50,000. 3+7
