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**MBA (Sem. - 1<sup>st</sup>)**  
**ACCOUNTING FOR MANAGEMENT**  
**SUBJECT CODE : MB - 103**  
**Paper ID : [C0103]**

[Note : Please fill subject code and paper ID on OMR]

**Time : 03 Hours**

**Maximum Marks : 60**

**Instruction to Candidates:**

- 1) Section - A is **Compulsory**.
- 2) Attempt any **Four** questions from Section - B.

**Section - A**

**Q1)**

**(10 × 2 = 20)**

- a) Define accounting as an information system.
- b) Name various tools used in financial analysis.
- c) Differentiate between cost accounting and management accounting.
- d) Name various financial statements prepared by an organization.
- e) What are the duties of management accountant?
- f) Differentiate between absorption costing and marginal costing.
- g) Explain activity based costing.
- h) Name any five concepts of accounting.
- i) What is budgetary control?
- j) Discuss various assumptions used in break even analysis.



Q2) Explain the relationship between financial accounting and management accounting.

Q3) Explain zero base budgeting in detail.

Q4) The sales turnover and profit during two periods were as follows:

Period	Sales	Profit
1	20 lakh	2 lakh
2	30 lakh	4 lakh

Calculate

- P/V ratio.
- The sales required to cash profit of Rs. 5 lakh.
- The profit when sales are Rs. 10 lakh.

Q5) Write a short note on price level accounting concept bringing out its merits and demerits.

Q6) What do you mean by responsibility accounting? What are its merits and demerits.

Q7) Following are the ratios to trading activities of National Traders Ltd.

Debtors velocity	3 months
Stock velocity	8 months
Creditors velocity	2 months
Gross profit ratio	25%

Gross profit for the year ended 31<sup>st</sup> Dec. 2007 amounts to Rs. 400000. Closing stock of the year is Rs. 10000 above the opening stock. B/R amounts to Rs. 25000 and B/P to Rs. 10000. Calculate

- a) Sales b) Debtors c) Closing stock d) Creditors.

