MBHC-1.3

Sl. No.

I Semester M.B.A. Degree Examination, May/June - 2026
MANAGEMENT
Accounting for Managers
(CBCS Scheme)

Time : 3 Hours **Maximum Marks : 80**

SECTION - A

Answer any Five questions. Each question carries 5 marks. (5×5=25)

1. What is break-even point?
2. Define marginal costing.
3. State the meaning of job costing.
4. What are the three steps in the accounting process?
5. Define Accounting Equation. Give an example
6. What is forensic accounting?
7. During May 2024, the following transactions took place in the books of M/s. Sharma & Sons.
   * Purchased raw materials Worth Rs.1,50,000, out of which Rs.50,000 paid in cash and the rest on credit.
   * Paid wages Rs.30,000 and salaries Rs.20,000 in cash.
   * Sold goods costing Rs.80,000 for Rs.1,20,000, out of which half was received in cash and the rest on credit.
   * Paid office rent Rs.15,000 by cheque.
   * Received Rs.40,000 from credit customers through bank.

   Journalize the above transactions.

SECTION - B

Answer any Four questions. Each question carries 10 marks. (4×10=40)

8. Explain the accounting process and its importance in business decision-making.
9. Discuss the elements of cost and their classification with examples.
10. Discuss the objectives and advantages of responsibility accounting.
11. Prepare a Cost Sheet from the following data for XYZ Ltd.
    * Raw Material Consumed Rs.80,000
    * Direct Labour Rs.40,000
    * Factory Overheads: 50% of Direct Labour
    * Office Expenses: 20% of Works Cost
    * Selling Expenses Rs.12,000
    * Profit : 10% of Sales

[P.T.O.

12. The sales and profit data of ABC Co.Ltd. during the two periods were as under:

Year	Sales(Rs)	Profits (Rs)
2014	3,60,000	60,000
2015	4,80,000	90,000

Find out:

a) P/V ratio
b) BEP
c) The sales required to earn a profit of Rs.1,20,000
d) Profit when sales are Rs. 7,00,000
e) Margin of Safety at a profit of Rs.1,50,000
f) Variable cost of the two periods.

13. XYZ Ltd, presents the following data:

* Sales: Rs.10,00,000
* Cost of Goods Sold : Rs.6,00,000
* Operating Expenses: Rs.2,00,000
* Interest: Rs.50,000
* Taxes: Rs.30,000

From the above details, prepare income statement and calculate gross profit ratio, operating profit ratio, and net profit ratio.

SECTION - C

14. Case (Compulsory) **(1×15=15)**

PQR Ltd. is a large organization with decentralized divisions. Recently, discrepancies were found in one division's accounts. The top management wants to implement responsibility accounting and also suspects fraud requiring forensic accounting investigation.

Questions:

a) Explain how responsbility accounting can improve accountability.
b) Identify the role of forensic accounting in detecting fraud.
c) Suggest steps for strengthening internal control systems.
