

**Gandhi Institute of Engineering and Technology University, Odisha, Gunupur  
(GIET UNIVERSITY)**

M.B.A. (First Semester) Regular Examinations, January- 2026

**25MBPC107- Accounting for Managers**

MBA



Time: 3 hrs

Maximum: 60 Marks

**(The figures in the right hand margin indicate marks.)**

**PART – A**

**(2 x 5 = 10 Marks)**

Q.1. Answer **ALL** questions

- |  |      |                 |
|--|------|-----------------|
|  | CO # | Blooms<br>Level |
| a. Explain about golden rule of accounting.          | CO1  | K2              |
| b. What do you mean by financial statement analysis? | CO2  | K1              |
| c. Give the formula of current ratio.                | CO3  | K3              |
| d. Explain about margin of safety.                   | CO4  | K2              |
| e. Write down the meaning of zero budget.            | CO5  | K1              |

**PART – B**

**(10 x 5 = 50 Marks)**

Answer **all the** questions

- |  |       |      |                 |
|--|-------|------|-----------------|
|  | Marks | CO # | Blooms<br>Level |
| 2. a. Describe the nine concepts of Accounting in detail.  | 10    | CO1  | K2              |
| OR   |       |      |                 |
| b. Prepare Trading, Profit & loss Account and Balance sheet from the following trial balance of Mr. Amar Kumar as on 31 <sup>st</sup> December 2025. | 10    | CO1  | K5              |

| Particulars               | Dr. (₹)         | Cr. (₹)         |
|---------------------------|-----------------|-----------------|
| Capital                   |                 | 2,00,000        |
| Bank loan                 |                 | 40,000          |
| Drawings                  | 20,000          |                 |
| Purchases                 | 2,80,000        |                 |
| Sales                     |                 | 3,20,000        |
| Opening Stock             | 40,000          |                 |
| Wages                     | 35,000          |                 |
| Carriage Inwards          | 10,000          |                 |
| Salaries                  | 25,000          |                 |
| Rent and Rates            | 15,000          |                 |
| Trade Expenses            | 8,000           |                 |
| Debtors                   | 70,000          |                 |
| Creditors                 |                 | 45,000          |
| Cash at Bank              | 62,000          |                 |
| Furniture                 | 40,000          |                 |
| Royalty                   | 3,000           |                 |
| Depreciation of buildings | 5,000           |                 |
| Rent received             |                 | 8,000           |
| <b>Total</b>              | <b>6,13,000</b> | <b>6,13,000</b> |

Closing stock is values at ₹ 56,000.

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|--|----|-----|----|
| 3. a. Write down the meaning of comparative income statement, explain how it should be prepared. | 10 | CO2 | K3 |
|--|----|-----|----|

OR

- |  |    |     |    |
|--|----|-----|----|
| b. Prepare comparative balance sheet from the following information of Mr. Sardar Patel for the current year 2025 and comment on the result. | 10 | CO1 | K6 |
|--|----|-----|----|

| <b>Liabilities</b>       | <b>2024 (₹)</b>  | <b>2025 (₹)</b>  |
|--------------------------|------------------|------------------|
| Equity Share Capital     | 10,00,000        | 12,00,000        |
| Preference Share Capital | 4,00,000         | 3,00,000         |
| General Reserve          | 2,00,000         | 3,50,000         |
| Profit & Loss A/c        | 1,50,000         | 2,20,000         |
| Long-term Loans          | 6,00,000         | 5,00,000         |
| Current Liabilities      | 3,50,000         | 4,30,000         |
| <b>Total</b>             | <b>27,00,000</b> | <b>30,00,000</b> |
| <b>Assets</b>            | <b>2024 (₹)</b>  | <b>2025 (₹)</b>  |
| Land & Building          | 8,00,000         | 10,50,000        |
| Plant & Machinery        | 7,50,000         | 8,00,000         |
| Investments              | 3,00,000         | 2,50,000         |
| Inventory                | 4,00,000         | 4,80,000         |
| Debtors                  | 3,00,000         | 3,70,000         |
| Cash & Bank              | 1,50,000         | 50,000           |
| <b>Total</b>             | <b>27,00,000</b> | <b>30,00,000</b> |

4. a. What do you mean by schedule of change in working capital? Give example. 5 CO3 K4  
 b. Explain how to prepare funds flow statement. 5 CO3 K4

OR

- c. Current Assets include: 10 CO3 K6  
 Cash = 50,000, bank = 30,000, Stock = ₹1,50,000, Debtors = ₹1,00,000,  
 Prepaid expenses = ₹ 20,000, marketable securities = 10,000.  
 Current liabilities:  
 Creditors = 1,00,000, bills payable = 50,000, short term loans = 50,000,  
 outstanding expenses= 20,000.

**Find:**

a) Current ratio b) liquid ratio c) Absolute liquid ratio d) interpret the results.

5. a. Explain the Break Even Point with a schedule and Graph? 10 CO4 K2

OR

- b. Evaluate the following: 10 CO4 K6
- | Year           | 2024     | 2025     |
|----------------|----------|----------|
| Sales ₹        | 1,00,000 | 1,60,000 |
| Profit/ loss ₹ | (-5,000) | 10,000   |
- Breakeven point,
  - P/V ratio,
  - Sales required to earn a profit of ₹40,000
  - Profit at the sale of ₹3,00,000 from the following:

6. a. Explain the meaning and types of budget. 5 CO5 K3  
 b. Write down the need for preparing a budget and explain. 5 CO5 K3

OR

- c. Prepare Cash budget from the following for the month of February, March and April 2025 of a business: 10 CO5 K6
- | Particulars | January | February | March  | April  |
|-------------|---------|----------|--------|--------|
| Sales ₹     | 18,000  | 20,000   | 22,000 | 24,000 |
| Wages ₹     | 3,000   | 4,000    | 4,000  | 6,000  |
| Purchase ₹  | 5,000   | 6,000    | 6,000  | 8,000  |
| Rent paid ₹ | 2,000   | 2,000    | 2,000  | 2,000  |

Adjustments:

- i) Cash in Hand on February 2024 is Rs 5,000.
- ii) All sales made are on credit and will collect in the next month
- iii) Wages should be paid in the next month
- iv) 50% of purchases are made in cash and remaining should be payable after 2 months.

End of Paper